

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
EL PASO DIVISION**

VANESSA ST. PIERRE,)	
)	
Plaintiff)	
)	
vs.)	No. 3:20-cv-257
)	
STANDARD INSURANCE COMPANY)	
a/k/a THE STANDARD INSURANCE)	
COMPANY, STANCORP FINANCIAL)	
GROUP, INC. and DEARBORN)	
NATIONAL LIFE INSURANCE)	
COMPANY,)	
Defendants)	

NOTICE OF REMOVAL

Defendants Standard Insurance Company, Stancorp Financial Group, Inc., and Dearborn Life Insurance Company f/k/a Dearborn National Life Insurance Company (“Defendants”) respectfully remove this action to the United States District Court for the Western District of Texas, El Paso Division.

INTRODUCTION

1. Plaintiff has filed an Original Petition against Defendants in the 168th District Court of El Paso County, Texas, Cause 2020-DCV-2840. Defendants were all served with citation and a copy of the Petition on or about September 15, 2020. Pursuant to 28 U.S.C. § 1446(a), Defendants have attached copies of all pleadings and orders in the El Paso County District Clerk’s file as Exhibit 1 to this Notice of Removal.

2. Defendants file this removal notice within the 30-day period required in 28 U.S.C § 1446(b).

GROUND FOR REMOVAL

3. This case is removable under 28 U.S.C. § 1441 based on federal diversity jurisdiction existing under 28 U.S.C. § 1332, for the following reasons:

a. Plaintiff is and was at the time of the filing of the Plaintiff's Original Petition ("Petition"), an individual citizen of Texas. Petition at ¶ 5. Defendants are each citizens of other states. See Petition at ¶¶ 6-8; *Hertz Corp. v. Friend*, 559 U.S. 77, 81 (2010) (discussing the "nerve center").

b. Plaintiff filed the instant case in the District Court of El Paso County, Texas, alleging \$100,000 in damages. (Petition at ¶¶ 1, 57.) She also seeks treble and additional damages, as well as attorney's fees. (Petition at ¶¶ 59, 61.) It is therefore apparent from an analysis of Plaintiff's allegations that the amount in controversy in this action exceeds the jurisdictional sum of \$75,000.00. See *St. Paul Reinsurance Co, Ltd. v. Greenberg*, 134 F.3d 1250, 1255 (5th Cir. 1998); *Allen v. R & H Oil & Gas Co.*, 63 F.3d 1326, 1335 (5th Cir. 1995).

c. There is complete diversity of citizenship between Plaintiff and Defendants; Plaintiff is a citizen of Texas; Defendants are not citizens of Texas; and the amount in controversy exceeds \$75,000. This case, therefore, is removable based on diversity jurisdiction.

4. Venue is proper in this district under 28 U.S.C. § 1441(a) because this district and division embrace the place where the removed action has been pending. See 28 U.S.C. § 124(d)(3).

5. Pursuant to 28 U.S.C. § 1446(d), Defendants will promptly provide written notice of this removal to the District Clerk for El Paso County, Texas.

Respectfully submitted,

By: /s/ Andrew F. MacRae

ANDREW F. MACRAE

State Bar No. 00784510

LEVATINO|PACE PLLC

1101 S. Capital of Texas Highway

Building K, Suite 125

Austin, Texas 78746

Tel: (512) 637-1581

Fax: (512) 637-1583

Attorneys for Defendants

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Notice of Removal has been filed through the CM/ECF system on this 14th day of October, 2020. A copy of this Notice of Removal has also been forwarded via e-mail, to the following counsel of record:

Michael T. Milligan
4171 N. Mesa St., Suite B-201
El Paso, Texas 79902
Elpasomike13@aol.com

Leticia Dominguez
The Dominguez Law Firm, P.L.L.C.
4171 N. Mesa St., Suite B-201
El Paso, Texas 79902
LDominguez32@elp.rr.com

/s/ Andrew F. MacRae

ANDREW F. MACRAE

Marked CERT on
 DELIVERED THIS 10 DAY OF Sept
 AT 4:00 AM/PM 2020
 BY: Stephanie V. Aguilar
 PROFESSIONAL CIVIL PROCESS

THE STATE OF TEXAS

INITIALS: SM LIC# PSC-7811
CM# 7018 3090 0000 7810 8918

NOTICE TO DEFENDANT: "You have been sued. You may employ an attorney. If you, or your attorney, do not file a written answer with the clerk who issued this citation by 10:00 a.m. on the Monday next following the expiration of twenty days after you were served this citation and petition, a default judgment may be taken against you."

TO: **Dearborn National Life Insurance Company**, who may be served with process through its registered agent for service of process, Corporation Service Company, at 211 E. 7th St., Suite 620, Austin, Texas 78701-3218.

Greetings:

You are hereby commanded to appear by filing a written answer to the Plaintiff's Original Petition at or before ten o'clock A.M. of the Monday next after the expiration of twenty days after the date of service of this citation before the Honorable **168th Judicial District Court**, El Paso County, Texas, at the Court House of said County in El Paso, Texas.

Said Plaintiff's Petition was filed in said court on this the 28th day of August, 2020, by Attorney at Law MICHAEL T MILLIGAN 4171 N MESA ST #B-201 EL PASO TX 79902-1431 in this case numbered **2020DCV2840** on the docket of said court, and styled:

Vanessa St. Pierre

VS

Standard Insurance Company a/k/a The Standard Insurance Company, StanCorp Financial Group Inc. and Dearborn National Life Insurance Company

The nature of Plaintiff's demand is fully shown by a true and correct copy of the Plaintiff's Original Petition accompanying this citation and made a part hereof.

The officer executing this writ shall promptly serve the same according to requirements of law, and the mandates thereof, and make due return as the law directs.

Issued and given under my hand and seal of said Court at El Paso, Texas, on this the 8th day of September, 2020.

Attest: NORMA FAVELA BARCELEAU, District Clerk, El Paso County, Texas.

CLERK OF THE COURT
NORMA FAVELA BARCELEAU
 District Clerk
 El Paso County Courthouse
 500 E. San Antonio Ave, RM 103
 El Paso Texas, 79901

By Stephanie V. Aguilar, Deputy
 Stephanie V. Aguilar

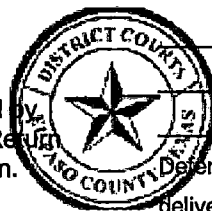
CERTIFICATE OF DELIVERY BY MAIL

I hereby certify that on the _____ day of _____, 2020, at _____ I mailed to _____

ATTACH
 RETURN RECEIPTS
 WITH

ADDRESSEE'S SIGNATURE

Rule 106 (a) (2) the citation shall be served mailing to the defendant by Certified Mail Return receipt requested, a true copy of the citation. Sec. 17.027 Rules of Civil Practice and Remedies Code if not prepared by Clerk of Court.



Defendant(s) by registered mail or certified mail with delivery restricted to addressee only, return receipt requested, a true copy of this citation with a copy of the Plaintiff's Original Petition attached thereto.

 *NAME OF PREPARER TITLE

 ADDRESS

 CITY STATE ZIP

 TITLE

Exhibit 1

MAIL CERT on
 DELIVERED THIS 10 DAY OF Sept 2020
 AT 4:00 AM/PM
 BY: Sal Madrid
 PROFESSIONAL CIVIL PROCESS
 INITIALS: sm LIC# PSC-7811

THE STATE OF TEXAS

NOTICE TO DEFENDANT: "You have been sued. You may employ an attorney. If you, or your attorney, do not file a written answer with the clerk who issued this citation by 10:00 a.m. on the Monday next following the expiration of twenty days after you were served this citation and petition, a default judgment may be taken against you."

TO: **Standard Insurance Company a/k/a The Standard Insurance Company**, who may be served with process through its registered agent for service of process, C T Corporation System, 1999 Bryan Street, Suite 900, Dallas, Texas 75201-3136.

Greetings:

You are hereby commanded to appear by filing a written answer to the Plaintiff's Original Petition at or before ten o'clock A.M. of the Monday next after the expiration of twenty days after the date of service of this citation before the Honorable **168th Judicial District Court**, El Paso County, Texas, at the Court House of said County in El Paso, Texas.

Said Plaintiff's Petition was filed in said court on this the 28th day of August, 2020, by Attorney at Law MICHAEL T MILLIGAN 4171 N MESA ST #B-201 EL PASO TX 79902-1431 in this case numbered **2020DCV2840** on the docket of said court, and styled:

Vanessa St. Pierre
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Standard Insurance Company a/k/a The Standard Insurance Company, StanCorp Financial Group Inc. and Dearborn National Life Insurance Company

The nature of Plaintiff's demand is fully shown by a true and correct copy of the Plaintiff's Original Petition accompanying this citation and made a part hereof.

The officer executing this writ shall promptly serve the same according to requirements of law, and the mandates thereof, and make due return as the law directs.

Issued and given under my hand and seal of said Court at El Paso, Texas, on this the 8th day of September, 2020.

Attest: NORMA FAVELA BARCELEAU, District Clerk, El Paso County, Texas.

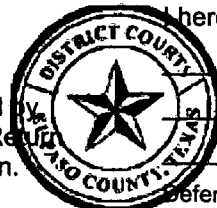
CLERK OF THE COURT
NORMA FAVELA BARCELEAU
 District Clerk
 El Paso County Courthouse
 500 E. San Antonio Ave, RM 103
 El Paso Texas, 79901

By Stéphanie V. Aguilar, Deputy

CERTIFICATE OF DELIVERY BY MAIL

I hereby certify that on the _____ day of _____, 2020, at _____ I mailed to

ATTACH
 RETURN RECEIPTS
 WITH
 ADDRESSEE'S SIGNATURE
 Rule 106 (a) (2) the citation shall be served by mailing to the defendant by Certified Mail Return receipt requested, a true copy of the citation. Sec. 17.027 Rules of Civil Practice and Remedies Code if not prepared by Clerk of Court.



defendant(s) by registered mail or certified mail with delivery restricted to addressee only, return receipt requested, a true copy of this citation with a copy of the Plaintiff's Original Petition attached thereto.

 *NAME OF PREPARER TITLE

 ADDRESS

 CITY STATE ZIP

VANESSA ST. PIERRE,

Plaintiff,

v.

Cause No. _____

STANDARD INSURANCE COMPANY)
a/k/a THE STANDARD INSURANCE)
COMPANY, STANCORP FINANCIAL)
GROUP, INC., and)
DEARBORN NATIONAL LIFE)
INSURANCE COMPANY,)

Defendants.)

PLAINTIFF'S ORIGINAL PETITION

TO THE HONORABLE JUDGE OF THE ABOVE COURT:

Plaintiff Vanessa St. Pierre (TDL last four 1733, SSN last four 9707) (hereinafter "Ms. St. Pierre") complains of Defendants Standard Insurance Company a/k/a The Standard Insurance Company (hereinafter "Standard"), StanCorp Financial Group, Inc. (hereinafter "StanCorp"), and Dearborn National Life Insurance Company (hereinafter "Dearborn"), and for cause respectfully shows the Court the following:

I. Introduction and Summary**A. Discovery Control Plan and Claims for Relief**

1. This suit is not governed by Rule 169 of the Texas Rules of Civil Procedure because, although it seeks \$100,000 as third party beneficiary of contracts between the City of El Paso and its successive life insurance underwriters, it also seeks costs of the action and attorney fees, which will push the total amount of Plaintiff's claim beyond the \$100,000 threshold.

Instead, Plaintiff intends to conduct discovery under Level 2, Rule 190.3, Tex. R. Civ. P., but will not oppose any adverse party's request for discovery under Level 3.

2. This suit arises under Texas Insurance Code, Chapter 541, Subchapter B; Texas Business & Commerce Code, Section 17.46(b)(24); and Texas common law.

B. Jurisdiction and Venue

3. This Court has jurisdiction over the subject matter of this litigation because it raises claims based on Texas statutory and common law, and the amount at issue is in excess of the minimum jurisdictional limits of this Court.

4. Venue is appropriate in this Court because all, or a substantial part, of the events and omissions giving rise to the above claim occurred in El Paso County, Texas, which is where Plaintiff and the City of El Paso are located.

C. Parties

5. Plaintiff is a widow, seeking life insurance benefits for the death of her husband as a third party beneficiary of successive group life insurance contracts between Defendants and the City of El Paso, Texas. She resides in El Paso, Texas, and may be served for all purposes through her undersigned attorneys of record.

6. Defendant Standard is a corporation located in Portland, Oregon, but which has sufficient minimum contacts in the State of Texas to be subject to jurisdiction of its courts. See Attachment 2, Section B, p. 4, ¶ 3. It may be served through its registered agent for service of process, C T Corporation System, 1999 Bryan Street, Suite 900, Dallas, Texas 75201-3136.

7. Defendant StanCorp is a holding company created by Standard in 1999. Since then, it has had the same minimum contacts in the State of Texas through Standard, a subsidiary of StanCorp, to Plaintiff's best knowledge and belief. It may be served through its registered

agent for service of process, C T Corporation System, 1999 Bryan Street, Suite 900, Dallas, Texas 75201-3136.

8. Defendant Dearborn, the underwriter and administrator of the City's group life insurance plan since January 1, 2017, is a corporation whose "nerve center" is located in the state of Illinois, but which has sufficient minimum contacts in the state of Texas to be subject to its jurisdiction. It may be served through its registered agent for service of process, Corporation Service Company, 211 E. 7th St., Suite 620, Austin, Texas 78701-3218.

D. Summary of Contentions and Prior History

9. Ms. St. Pierre did all she could to get group insurance on her husband's life through her employer, the City of El Paso. Standard was the City's provider of group life insurance from July of 2009 through December 31, 2017, and Dearborn has been its successor from January 1, 2018, through the filing of this suit. Both companies made multiple promises to the City, which were eventually incorporated by reference into their group life insurance policies, assuring the City that they would perform numerous administration functions, including information to employees about their rights and obligations. Those commitments on the part of the two companies were not made in good faith, as they knew, or should have known, that the companies would not actually perform them. Instead, both Standard and Dearborn outsourced them to the City, which did not have employees on staff with the requisite knowledge and experience of the insurance business to administer the program without support and guidance from the companies. Ms. St. Pierre, as part of the City's workforce, was a third party beneficiary of the successive contracts between the City and its insurance underwriters. Based upon such standing, she sues both companies for joint and several, and in the alternative proportional, responsibility for her insurance proceeds, attorney fees, and costs.

10. This action was originally filed in the 243rd Judicial District Court of El Paso County, Texas, sub nom *Vanessa St. Pierre v. City of El Paso, Texas*, Cause Number 2019DCV2376. Following removal to Federal Court, it was dismissed, without prejudice, sub nom *Vanessa St. Pierre v. Dearborn National Life Insurance Company*, Docket Number EP-19-CV-00223-DCG. This suit is filed within the applicable two-year statute of limitations.

II. Facts

A. Standard's Contract with the City

11. On June 23, 2009, the City of El Paso issued a solicitation of offers for outside vendors to provide, inter alia, basic and supplemental life insurance. Attachment 1, first unnumbered page; Section B, page 1. Standard submitted its offer on July 27, 2009. Id., first unnumbered page.

[Note: The City's solicitation and Standard's offer, filling in the blanks on the solicitation, have been provided by the City as a single document. For the sake of clarity, this pleading has separated the City's solicitation from Standard's responses to questions from the City.]

12. Standard's address (920 S.W. Sixth Avenue, Portland, Oregon 97204) (Attachment 2, Section B, Page 3) is important because on the very next page and other places throughout the record, it refers to itself as "**The Standard**," which is the name of a different company located in New York. See <https://www.standard.com/about-standard/company>.

13. Concerning Standard's assistance to the City and its employees, the City posed the following question and received the following answer in response thereto:

[Question] "13. Will your representative be able to participate in open enrollment and new employee orientation meetings? (Open enrollment meetings will be conducted in October. New employee orientation meetings are conducted twice a month." [Sic, punctuation error.]

[Answer] "Yes, we welcome the opportunity to assist The City with orientation meetings as needed.

“The City of El Paso will be serviced by a dedicated National Accounts Management Team. The team members are led by your dedicated National Accounts Consultant, Jennifer Stacy, who acts as a client advocate and works closely with local sales and service office to meet and exceed your expectations.

“Local Employee Benefits Sales & Service Office:

Standard Insurance Company
2805 North Dallas Parkway
Suite 440
Plano, Texas 75093
(972) 943-1615
(800) 727-7112
(972) 943-1617 Fax

“The activities performed at our local Employee Benefits Sales & Service Office include assistance with enrollment and implementation, as well as general service and contract issues. This office will be your primary contact for new employee orientation meetings, led by both Jennifer Stacy (Portland) and Derek Jones (Dallas).”

Attachment 2, Section B, p. 6.

14. The next question further pursued the issue of services promised by Standard:

[Question] “14. Each successful bidder must provide a sufficient number of representations [sic] to properly enroll all eligible employees who wish to enroll during the initial open enrollment period and at each annual open enrollment. Please indicate your agreement.”

[Answer] “The Standard wants our policyholders to experience a smooth and comfortable transition and The City of El Paso’s dedicated National Accounts management team will manage every aspect of the implementation process from start to finish.

“As an Implementation Analyst will manage every aspect of the initial enrollment period as well as work with other National Accounts team members to create custom enrollment materials, deliver contracts and certificates, clarify claims processes, assist with benefit design, help with payroll administration and verify your reporting and billing requirements. [Sic, not a complete sentence.]

* * *

“Additionally, after the effective, date implementation resources will finalize implementation tasks, ensuring accurate premium billing, training on e-services, and smooth claims administration and reporting.” [Sic, punctuation error]

Id., pp. 6-7.

15. After discussing the claims process, which is not at issue in this case, the questionnaire proceeds to the critical element of how the employees can learn vital information about insurance coverage:

[Question] “18. Provide a sample of all standard communication material that will be provided to the City of El Paso for annual enrollment and use throughout the year.”

[Answer] “ENROLLMENT STRATEGY:

“The [sic] Standard provides a full range of enrollment services and we can create a customized marketing and enrollment strategy for the City of El Paso’s Life and Disability Insurance Program. The proposed strategy for The City’s plan is to develop an array of personalized information and enrollment tools using a combination of direct mailings and technology based services such as:

“*Customized precommunication and enrollment materials targeted to employees*

- Announcement and endorsement letters
- Posters, payroll stuffers, and training materials

“Personalized Enrollment Form System

- Paper forms customized with the employee’s individual plan benefit and premium information
- Customized Online and Interactive Voice Response (IVR) Enrollment system

“Utilizing these services we are confident employees will be able to make an informed benefit purchase decision.

“Sample communication materials have been provided for your review. These materials include informational brochures designed to educate and inform your employees of the coverage offered. We are able to customize these materials to the City’s specific plan designs, population and needs. Please find the same materials in Section 5.

“Normal costs for enrollment, communication, and implementation materials are included.

“Please see same communication materials located in Section 5.”

Id., pp. 8-9.

16. The following question and answer are inconsistent with commitments made at Attachment 3:

[Question] “19. What services are available on-line to:
a. City of El Paso Benefit Staff for management of the Plan

[Answer: Page and a half of materials listed.]

“b. City of El Paso employees enrolled in the plan for customer service.”

[Answer] “At this time, The Standard offers online claim form submission for employers only.”

Id., pp. 9-10.

17. After some questions not related to this suit, the questionnaire shifts to the topic, **Life Questionnaire** (Id., p. 12), begins renumbering, and obtains the following commitments from Standard:

[Question] “4. Will you offer a one time special open enrollment opportunity offering guarantee issue without evidence of insurability to all eligible applicants?” [Note: No distinction between employee and dependent supplemental life coverage.]

[Answer] “Yes.”

* * *

[Question] “6. What is the guaranteed issue amount for life insurance? What evidence of insurability is required? What is your turnaround for the EOI process?”

[Answer] “The guaranteed issue amount for voluntary life insurance is \$200,000.” [Standard did not answer the other two questions.]

Id., p. 13.

18. The appendices to the proposal start with a money-back guarantee of satisfaction, but the payback is only 5 percent. Attachment 3, first unnumbered page. From there, it describes an all-electronic operation of the program, trademarked “**AdminEASESM**.” Since they are mostly directed to the employer (the City, in this case), it is reasonable to infer that Standard expected the City to set up the program and teach the employees how to use it, which is very different from the “hands-on” approach laid out in response to the questionnaire. *Id.*, first and second unnumbered pages. Cf. ¶¶ 11-13, *supra*, this document.

19. Presumably after learning the system from the employer, employees are guaranteed “**personalized employee enrollment experience, . . . allowing them to directly manage their insurance affairs,**” including “complete evidence of insurability electronically” and access to a “multilingual call center during enrollment periods.” *Id.*, second and third unnumbered pages [emphasis supplied].

20. The Attachment goes on to guarantee access to an electronic “Medical History Statement” webform “simple and easy to submit online saving employees and employers time.” *Id.*, third unnumbered page. All-electronic management, Standard says, would also enable the employer to monitor online applications and “monitor applications that require medical underwriting,” including “whether Standard has received a particular application, its status, coverage amounts, and ability to fit the data into a spreadsheet.” *Id.*

21. Also attached to Standard’s proposal was a copy of its brochure entitled “Group Life Insurance,” which differs from the questionnaire. As set out above, in response to the questionnaire, Standard said the guaranteed amount of life insurance was \$200,000, and it did not respond to the question about evidence of insurability. The brochure says supplemental life

insurance is available in the amount of up to \$300,000, but proof of insurability is necessary for employees and their spouses. Attachment 4, p. 8.

22. On December 11, 2009, the City accepted Standard's offer incorporating as the final agreement "the solicitation, [Standard's] offer, and the Purchase Order(s)" as the "final and complete repository of the agreements between the City and Standard Insurance Company." Attachment 5.

**B. Standard's Pocket Veto of Ms. St. Pierre's Application
for Supplemental Dependent Life Insurance**

23. Ms. St. Pierre became an employee of the City of El Paso ("the City") on or about August 11, 2014. On or about the second day of her in-processing as an employee, she received the Non-Uniform Employee Benefits Summary (Attachment 6), containing the following information about life insurance coverage from Standard, pertinent to this suit:

"Basic Life [emphasis in original] [following in ultra-fine print]. All eligible employees have \$50,000 in Life coverage; \$2,000 life cvg for spouse; and \$1,000 life cvg for each eligible dependent child.

Supplemental Life [emphasis in original] [following in ultra-fine print]. Approvals up to \$200,000 are guaranteed for new employees. After 30 days of continuous employment, changes can only be made with a qualifying life event or through Open Enrollment and subject to medical underwriting. Evidence of Insurability application for underwriting process will be required with waiting period of approximately six (6) weeks for an answer from carrier. Plan is age-graded term life policy."

Id. The language about guaranteed approval for new employees was consistent with both Standard's answer to the City's questionnaire (see paragraph 15, *supra*) and the oral presentation about life insurance.

24. After completion of the briefing, the last item in the exhausting second day of the three-day orientation was for employees to fill out a six-page form containing all of their elections about the various optional benefit plans available. There was no option for online

enrollment, as explicitly promised above in paragraph 13, and the first page of the enrollment form unhelpfully advised the new employees to “keep a copy of this form for your records,” without a copy machine anywhere in sight. The guaranteed approval of up to \$200,000 for new employees with no need for evidence of insurability was replaced in fine print, “Supplemental Life After Tax \$200,000 (written in) Pending E of I ____.” Below that it says “Dependent Life – spouse - \$100,000 (written in) Pending E of I ____.” Attachment 7, p. 3. Also gone was the promised participation of a Standard representative during the initial enrollment (Attachment 2, Section B, p. 6, ¶ 13), replaced by a loophole of unknown origin:

“TO ENROLL OR MAKE CHANGES IN THE FOLLOWING PLANS (SUPPLEMENTAL LIFE, DEPENDENT LIFE AND SHORT TERM DISABILITY, YOU MUST MEET WITH A REPRESENTATIVE. THEY WILL BE AVAILABLE DURING THE ENROLLMENT SESSIONS.”

Attachment 7, p. 3. There was no Standard representative in attendance. Standard simply stood up the employees and, at least on paper, made it impossible to enroll in any of the life insurance plans.

25. There was nothing about electronic evidence of insurability or even rudimentary information about how to provide “E” of it, nor in fact any information whatsoever how “E of I” goes from “pending” to “active” or “satisfied” status. Standard’s promise of “help with payroll administration,” verification of the City’s “reporting and billing requirements,” and “ensuring accurate premium billing” (supra, paragraph 14) all went out the window, replaced by:

“I UNDERSTAND THAT IT IS MY RESPONSIBILITY TO VERIFY THAT ALL PAYROLL DEDUCTIONS AS STATED ABOVE ARE CORRECT AND TO REPORT ANY DISCREPANCIES IN DEDUCTIONS ON MY PAYCHECK TO THE INSURANCE AND BENEFITS DIVISION IMMEDIATELY TO GUARANTEE PROPER COVERAGE AND CONTRIBUTIONS.”

Id., p. 6. Not only did the City, clearly acting as Standard's agent, excuse it from important responsibilities it had assumed, but also gave it another helpful loophole: the employees were not given a rate sheet or any other means of computing what premiums they ought to be paying. Finally, there are no deductions "stated above" anywhere in the enrollment form.

26. The only reasonable inference to be drawn from the wide disparity between the hands-on guidance Standard promised and the City's defective operation of its benefit plan five years later was a failed delegation, if not a complete abdication, of Standard's contractual duties to the City. Although not even eligible to perform as an agent under the Texas Insurance Code, the City nevertheless acted as agent of Standard under Texas principles of common law, and Standard is liable for the City's conduct under the common law doctrine of respondeat superior.

27. One thing the City did right was that it transmitted Ms. St. Pierre's application to Standard. That transmission is an undisputable fact because Standard did whatever was necessary to put Ms. St. Pierre's \$200,000 of insurance into effect, and the City began deducting premiums for insurance on her life no later than September 12, 2014. Attachment 8. In that respect, at least, Standard complied with its explicit 2009 promise to the City of guaranteed life insurance of \$200,000 issued to new employees. Paragraph 17, *supra*. As noted there, Standard did not answer the question about the "E of I" prerequisite. By August of 2014, it had apparently given a two-part answer as to the E of I requirement: no as to employees; yes as to dependents. Having made this decision, Ms. St. Pierre's application was granted in part and denied in part, but nobody told Ms. St. Pierre what had happened and why.

28. From 2014 through her husband's death on August 31, 2018, Ms. St. Pierre had no reason to suspect that Standard and the City had mishandled her application so badly. Instead, she reasonably inferred, from the biweekly pay deductions for insurance, that they had

behaved like the normal institutions they apparently were. At least as of 2009, Standard's life insurance brochure contained nothing about how an employee could resolve problems with a life insurance policy except the following:

"Should you have any questions or need additional information please contact your insurance advisor or the Employee Benefits Sales and Service Office for your area."

Attachment 4, second unnumbered page. A reasonable person in Ms. St. Pierre's circumstances would have believed that she had \$100,000 worth of coverage on her husband's life.

C. Dearborn Replaces Standard

29. Perhaps wanting better support from its underwriter, on July 26, 2017, the City requested proposals from employee benefit plans (Attachment 9), including a requirement that proposals "identify and explain your online eligibility and enrollment capabilities." *Id.*, 3rd highlighted page. The solicitation stated: "The successful offeror's proposal will be incorporated into the final contract." *Id.*, 4th highlighted page. There was also an indemnity clause requiring the bidder to indemnify the City against any possible claims. *Id.*, 5th highlighted page.

30. Dearborn submitted its proposal in response to the City's request on July 31, 2017. Attachment 10. In the first sentence, the proposal identified Dearborn's agent as "Marc Hernandez of T.E.B. Benefits Group." The Court can take judicial notice of T.E.B. Benefits' registration with the Secretary of State, which gives a home office address of 702 Wyoming Avenue, El Paso, Texas 79902.

31. Dearborn's proposal began with a five-page "Introduction and Overview" making, *inter alia*, the following commitments:

- “An Account Service team to make the transition to Dearborn National smooth and effective with minimal interruption to your employees.”
- Leadership “by an Account Manager who will work with your assigned employment coordinator . . . [and] be responsible for day to day contact with your chosen staff to answer . . . questions and to ensure service needs are handled quickly and effectively.”
- Account Manager will [inter alia] “provide strategic account management and consultation; support the City during the renewal process and ensure seamless transition” by participation in every facet of the transition process.
- Account Service team will have “ongoing meetings,” create and review draft contracts and certificates, **facilitate client service training**, work with City’s “benefit staff,” and conduct annual feedback services [emphasis supplied].
- [Dearborn’s] “Beneficiary Resource Services program helps beneficiaries and their families cope with sorrow and change.”

Id., pp. 1-4, highlighted portions.

32. On November 1, 2017, Dearborn submitted a “final offer” to the City containing, inter alia, the following terms not considered in its July 31 proposal:

“A one-time modified open enrollment with Life Insurance amounts of \$50,000 for employees and \$20,000 for spouses up to the Guarantee Issue Limit. Anyone wishing coverage over the Guarantee Issue Limit would still need to submit evidence of insurability. **In the event someone does not wish to change their elected amounts, the current amounts will be grandfathered.**”

Attachment 11, p. 1 [emphasis supplied].

33. The City accepted Dearborn’s “offer” on November 28, 2017 (Attachment 12), without differentiating between the initial proposal and the “best and final offer.” Attachments

10 and 11, *supra*. The Notice of Award stated: “The contract comprised of the solicitation, your offer, and the purchase order(s) constitutes a final and complete repository of the agreements.” Attachment 12, highlighted portion. The City would not submit a formal, written application to Dearborn for group life until December 14, 2017, the last day of Open Enrollment. See paragraph 36, *infra*. Dearborn would not issue a policy until on or about January 1, 2018. See paragraph 37, *infra*.

34. The City’s request for proposals and Dearborn’s proposal total nearly 200 pages. The City’s pre-enrollment information and enrollment form contain a scant 18, apparently prepared without input from Dearborn. The Notice of 2018 Open Enrollment (Attachment 13) is not written in plain, readable, understandable language. For instance, it instructs employees, “Make sure you review the supplemental life insurance rate sheet because your rate increases as you move up into the next age group.” *Id.*, p. 8. There is no rate sheet provided. The brochure does contain, however, this one exception to its general lack of clarity:

“You will only have to re-enroll if you are making changes. If not, your current plans will roll over to the next year and the rates will be adjusted accordingly.”

Id., p. 9, emphasis in original. However, it does not tell employees how to verify their current plans nor the rate they should be paying.

35. When Ms. St. Pierre attended the open enrollment session on December 13, 2017, she filled out the enrollment form in her own handwriting, except for the rates for employee and spouse/dependent life insurance. She told the HR rep that she did not know the rates to put in the blank provided, but she wanted the same coverages as she previously had. Not surprisingly, given the brochure’s language, he wrote “Same” in both spaces for both insurance coverages. He also checked the box for “Employee + Dependent(s).” The handwriting and the pen used

clearly show that portion of the form was not completed by Ms. St. Pierre. Attachment 14. In very fine print just below the HR rep's handwritten entries is the following confusing language:

"Employees may increase their supplemental life volume [sic] without Evidence of Insurability (E of I) by up to \$50,000 not to exceed a total of \$200,000. Spouses may increase their supplemental life volume [sic] without E of I [sic – punctuation error in original] by up to \$20,000 not to exceed \$20,000. Any increased amount in excess of these limits is subject to E of I."

As in 2014, there was the same "bricks without straw" requirement "to verify that all payroll deductions are correct and report any discrepancies in deductions on my paycheck to the HR benefits services immediately to guarantee proper coverage and contributions," but without a rate sheet to make the necessary calculations. *Id.*, p. 2.

36. On December 14, 2017 (the last day of open enrollment), the City made a purchase order to Dearborn for group life insurance (Attachment 15), even though it had already marketed Dearborn insurance coverage as set out above. In its purchase order, the City as "Policyholder" represents that coverage of individual employees ("insureds") is subject to approval of their applications by Dearborn after any required "medical underwriting," a term not defined in the agreement. The City and its employees "are subject to all policy terms and provisions and trust agreements," the full content of which is presently unknown to Ms. St. Pierre. The City is responsible for collecting and paying the premiums to Dearborn, sending employees' applications to Dearborn, giving "certificates" to the employees, reporting group changes to Dearborn, and keeping records of employee eligibility. The City expects Dearborn to agree, at least implicitly, to issue a "master policy and certificates." *Id.*, p. 2. Ms. St. Pierre is presently without complete knowledge as to compliance, *vel non*, with any of those undertakings by the City or Dearborn.

37. On or before January 1, 2018, Dearborn accepted the City's application (Attachment 15, *supra*) and issued a life insurance policy. (Attachment 16). Its provisions are restricted to the eight meager pages of the policy itself, the certificate of coverage, the City's application, and the employees' signed enrollment forms. *Id.*, p. 4. There is a rate addendum attached, *Id.*, p. 5, but employees had no access to this document. It almost seems like Dearborn was attempting to absolve itself of all the reassuring language in its initial response to the RFP (Attachment 10), its final offer (Attachment 11), the Notice of Open Enrollment (Attachment 13), and the City's purchase order.

38. However, the policy made one significant promise to the employees themselves: An "inadvertent" or "clerical error or omission" by Dearborn "will not prevent an *employee* from receiving coverage, if he is entitled to coverage under the terms of the policy; or cause coverage to begin or coverage to continue for an employee when the coverage would not otherwise be effective." Attachment 16, p. 4. The clause continues that if the City gives Dearborn "information about an employee that is incorrect, [Dearborn] will use the facts to decide whether the employee has coverage under the policy and in what amounts; and make a fair adjustment of the premium." *Id.*

39. On January 2, 2018, Dearborn created a 32-page document entitled "**Term Life and AD&D Insurance**," subtitled "*Employee Benefit Booklet*," for the City of El Paso. Attachment 17. The first page is a certificate of the policy issued by Dearborn to the City (Attachment 16), but does not include the complete policy, especially not the all-important rate sheet. Thus it required employees, in the absence of access to rate sheets, to queue up at the Benefits Department just to be on the safe side. Ms. St. Pierre never knew this document existed

until after her husband had died, she went looking for information, and found it on the City's website as set out below in paragraph 40.

D. A Widow's Odyssey

40. On or about August 31, 2018, Ms. St. Pierre's husband passed away. On or about September 11, she called the Benefits Department to inquire about how to obtain her late husband's insurance benefits. The person who answered the phone told her that she had no dependent coverage on her husband's life. Ms. St. Pierre asked to speak to a supervisor, and received the same answer. On September 12, 2018, Ms. St. Pierre emailed the first page¹ of Attachment 14 to the Benefits Department. About this same time, she discovered Attachment 17 on the City's website and began to realize the damage she had suffered from the mistakes committed by Dearborn and the City.

41. Ms. St. Pierre then took her case to Mary Michel, Human Resources Assistant Director. Attachment 18. On or about October 2, she met with Ms. Michel, Zulema Perez (also from HR), and T.E.B. employee Brenda Kinderman, representing Dearborn's interests. Ms. Michel and Ms. St. Pierre disagreed about whether she had ever received the form to provide evidence of insurability. Ms. Michel admitted the City's mistake in failing to deduct the premiums, apparently not having connected the dots implicating Standard. See paragraphs 23-25 (supra). She offered to settle the claim for \$20,000, but Ms. St. Pierre declined and instead retained the undersigned attorney, who submitted a claim for benefits. Attachment 19.

42. At Dearborn's insistence (Attachment 20), Ms. St. Pierre herself filled out a claim form (Attachment 21), dated November 20, 2018, and sent it to Dearborn, which responded that its "family is working on your behalf" and offering help "with the unique challenges that result from losing a loved one." Attachment 22. On December 12, 2018, Dearborn sent her a \$2,000

¹ The second page was obtained from Dearborn through informal discovery under Rule 26(f) Fed. R. Civ. P.

check, the minimum amount of dependent life insurance for employees who make no election for higher coverage. Attachment 23.

43. On February 15, 2019, Ms. St. Pierre's attorney requested notice of the amount of premiums which the City had mistakenly failed to deduct from her pay, so that she could tender the amount by cashier's check to the City of El Paso. Attachment 24. Neither Dearborn or the City ever responded to that request. That did, however, trigger a letter by the City to Dearborn, an inartfully termed "tender [sic] of defense and indemnity of third party claim." Attachment 25. The letter does, however, refer to "Part 7 [Contract Clauses], Section 4 [Indemnification]," the fifth page of Attachment 9 hereto, which obligates Dearborn to indemnify and defend the City, not vice versa. The important thing is that both the City and Dearborn rejected Ms. St. Pierre's offer to correct the City's oversight by paying whatever money it should have deducted.

44. By letter dated April 1, 2019, the City informed Ms. St. Pierre, through counsel, that it had "tendered² your client's dependent life insurance claim to Dearborn National for handling." Attachment 26.

E. Dearborn Denies the Claim

45. By letter dated May 16, 2019, Dearborn denied Ms. St. Pierre's claim. After two pages of boilerplate (Attachment 27, Bates pp. 348-349), it asserted, by fair implication, that Ms. St. Pierre was responsible for all of her misfortune:

- She should have known somehow that she had no coverage on her husband's life;
- She should have known to request an E of I form, how to fill it out, and where to send it;

² Someone in the City's HR Department really likes the word "tender."

- She should have known that the City was not deducting the correct amount from her paychecks to cover insurance on her life and her husband's; and
- The reason she should have known all this is because, on November 17, 2016, she "logged into the employee benefits system to review her benefits and made no changes."

46. The first three statements assume a level of knowledge, sophistication, and downright suspicion of her employer's competence and honesty, which only a tiny percentage of any work force could have. The last statement, that she reviewed her benefits, is made with reckless disregard of the truth. It is based on an Excel spreadsheet, provided by the City to Dearborn, containing 3,370 lines of data, line 2,768 of which shows that Ms. St. Pierre logged onto the City's benefit system website, but does not show that she reviewed her benefits. Ms. St. Pierre alleges as fact that the sole purpose of that visit was to indicate that she wanted to make no change in her benefits. At the time, she had no reason to believe that Dearborn's predecessor had granted her application for insurance on her own life, but denied – without acknowledgment or explanation – the portion of her application seeking to insure her husband's life.

47. That failing on the part of Standard was the original cause of Ms. St. Pierre's misfortune. It received her enrollment form covering her and her husband, with no E of I for either, and then caused the City to deduct only the premium for employee coverage. How and why they did that is not within Ms. St. Pierre's present knowledge. Because she had no coverage on her husband's life, she was ineligible for "grandfathering." The logical response from Dearborn would have been to point this out.

48. The most plausible explanation why Dearborn did not blame Standard is that both companies did basically the same thing: they each made promises to the City which they knew,

or should have known, they were not going to keep. In 2009, Standard assured the City that it would participate in one open enrollment and 24 new employee orientation meetings per year. Attachment 2, Section B, p. 6. At the time, Standard had 2,452 contracts in the state of Texas, Id. p. 4, serviced by only 33 employees in the entire state. Fifty round trips to El Paso a year for only a single client seems like an insurmountable burden. Five years in, Standard sent nobody to El Paso, but the City made Ms. St. Pierre sign a statement that she had to “meet with a representative” in order to submit an application. Attachment 7, p. 0003.

49. Dearborn had at least two agents in El Paso, Marc Hernandez and Brenda Kinderman, located within easy walking distance from El Paso City Hall, and neither one of them was there to prevent or correct the ongoing mistakes in the City’s enrollment process, the very first under the new contract.

50. Furthermore, Dearborn had a chance to correct Standard’s mistake by looking at Ms. St. Pierre’s 2018 enrollment form, seeing that it sought grandfather coverage for somebody who wasn’t signed up, and notifying the City, if not Ms. St. Pierre herself, of the need to correct the problem.

51. No later than August 12, 2014, and continuing at least through January 1, 2018, Standard and Dearborn stopped performing the enrollment duties which they had assumed by their respective contracts with the City. By words, acts, failures to act, or other means presently unknown to Ms. St. Pierre, they delegated these responsibilities to the City, either knowing or chargeable with knowledge that the City did not have the expertise and wherewithal to perform Defendants’ enrollment obligations without close supervisions and assistance from Defendants. Predictably, the City employees functioning in place of insurance company representatives made errors which both insurers compounded by their inattention to the enrollment forms.

52. All Attachments hereto are incorporated into the above Statement of Facts, as if fully set out therein.

III. Agency Relationship and Respondeat Superior

53. At all times relevant herein, the City acted as Defendants' agent under Texas common law, performing Defendants' enrollment functions as set out above by agreement, conduct, acquiescence, default, or some combination thereof. At all times relevant herein, Defendants knew or should have known that the City lacked the expertise to perform Defendants' duties. Defendants are therefore responsible for the City's acts under the common law doctrine of respondeat superior.

IV. Standing

54. Ms. St. Pierre was a putative and intended third party beneficiary of the contracts between Defendants and the City. By the death of her husband, she has a vested interest in the proceeds of his life insurance, denial of which is an injury to her personally.

V. First Cause of Action: Deceptive Practices

55. Defendants' acts, practices, or a combination thereof violated:

(a) Texas Insurance Code Chapter 541, Subchapter B, false and misleading representations to the City about the benefits and advantages of their policies to City employees;

(b) Texas Insurance Code Section 541.061(2), failing to state material facts necessary to make other statements made not misleading, considering the circumstances under which the statements were made;

(c) Texas Insurance Code Section 541.061(3), making a statement in a manner that would mislead a reasonably prudent person to false conclusions of material fact;

(d) Texas Business and Commerce Code Section 17.46(b)(12), representing that an agreement confers rights, remedies, or obligations which it does not in fact involve; and

(e) Texas Business and Commerce Code Section 17.46(b)(24), failing to disclose information about the evidence of insurability requirement and calculation of pay deduction rates which were known at the time and with intent to dissuade employees such as Ms. St. Pierre from taking measures necessary to protect themselves and their rights.

VI. Second Cause of Action: Promissory Estoppel

56. Defendants are estopped to deny Ms. St. Pierre's coverage for the following reasons:

(a) Through the City's open enrollment procedures, Defendants implicitly promised the City that neither of them would engage in any of the deceptive acts or practices set out above.

(b) Ms. St. Pierre reasonably and substantially relied on the good faith of her employer and its insuring underwriters by not engaging in the complicated self-education necessary to comply with requirements which were deliberately vague.

(c) It was foreseeable to Defendants and the City that Ms. St. Pierre would rely on the implied promises. Enforcement of the contract is necessary to avoid injustice.

VII. Third Cause of Action: Breach of Contract

57. The policy issued by Dearborn explicitly promised employees that they would not be victimized by "inadvertent clerical errors or omissions." Ms. St. Pierre is currently without knowledge as to the Standard policy in effect in August of 2014. As set out above, both companies, and the City acting in their behalf, made inadvertent clerical errors and omissions

which cost Ms. St. Pierre \$100,000 of insurance proceeds on her husband's life. Dearborn is therefore contractually obligated to pay her that amount, plus attorney fees, interest, and costs.

58. Ms. St. Pierre explicitly reserves the right to amend her pleadings to make a similar claim against Standard if discovery shows that it made a similar promise.

VIII. Treble and Additional Damages

59. In all of the acts set out above in paragraph 55 (supra), Defendants acted knowingly, which entitles Ms. St. Pierre to recover treble damages under the Texas Insurance Code Section 541.152 and additional damages under Texas Business and Commerce Code Section 17.50(b)(1).

IX. Required Notices

60. It was impracticable for Plaintiff to give Defendants written notice under Texas Business & Commerce Code § 17.505(a) and Texas Insurance Code § 541.154(a), because Plaintiff needed to file this suit to prevent the expiration of the statute of limitations. Therefore, written notice was not required. See Tex. Bus. & Com. Code §17.505(b) and Tex. Ins. Code § 541.154(c)(1).

X. Attorney Fees

61. Ms. St. Pierre is entitled to recover reasonable and necessary attorney fees under Texas Insurance Code Section 541.152(a)(1), Texas Business and Commerce Code Section 17.50(d), and Texas Business and Commerce Code Section 38.001. Ms. St. Pierre submits that a reasonable attorney fee under the above circumstances would be \$404 per hour.

XI. Jury Demand

62. Plaintiff respectfully demands trial by jury herein.

XII. Conclusion

63. Plaintiff therefore prays that, upon a final hearing hereof, she have judgment against Defendants for \$100,000, treble damages under the Texas Insurance Code, additional damages under the Texas Deceptive Trade Practices Act, her attorney fees and other costs, prejudgment and postjudgment interest, and such other relief as to which she may show herself justly entitled.

RESPECTFULLY SUBMITTED this 28th day of August, 2020.

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By: /s/ Michael T. Milligan
MICHAEL T. MILLIGAN

ATTORNEYS FOR PLAINTIFF

RETURN OF SERVICE

Delivery was completed on _____, delivered to _____
_____ as evidence by Domestic Return Receipt PS Form 3811
attached hereto.

The described documents were not delivered to the named recipient. The certified mail envelope was returned
undelivered marked _____.

This forwarding address was provided: _____

El Paso County, Texas

By: _____
Deputy District Clerk

OR

Name of Authorized Person

By: _____

VERIFICATION BY AUTHORIZED PERSON

State of Texas

County of El Paso

Before me, a notary public, on this day personally appeared _____, known to me to be the person
whose name is subscribed to the foregoing Return of Service, and being by me first duly sworn, declared, "I am
disinterested party qualified to make an oath of that fact and statements contained in the Return of Service and true and
correct."

Subscribed and sworn to be on this ____ day
of _____, _____.

Notary Public, State of _____

My commission expires: _____

VANESSA ST. PIERRE,

Plaintiff,

v.

Cause No. _____

STANDARD INSURANCE COMPANY)
a/k/a THE STANDARD INSURANCE)
COMPANY, STANCORP FINANCIAL)
GROUP, INC., and)
DEARBORN NATIONAL LIFE)
INSURANCE COMPANY,)

Defendants.

PLAINTIFF'S ORIGINAL PETITION

TO THE HONORABLE JUDGE OF THE ABOVE COURT:

Plaintiff Vanessa St. Pierre (TDL last four 1733, SSN last four 9707) (hereinafter "Ms. St. Pierre") complains of Defendants Standard Insurance Company a/k/a The Standard Insurance Company (hereinafter "Standard"), StanCorp Financial Group, Inc. (hereinafter "StanCorp"), and Dearborn National Life Insurance Company (hereinafter "Dearborn"), and for cause respectfully shows the Court the following:

I. Introduction and Summary**A. Discovery Control Plan and Claims for Relief**

1. This suit is not governed by Rule 169 of the Texas Rules of Civil Procedure because, although it seeks \$100,000 as third party beneficiary of contracts between the City of El Paso and its successive life insurance underwriters, it also seeks costs of the action and attorney fees, which will push the total amount of Plaintiff's claim beyond the \$100,000 threshold.

Instead, Plaintiff intends to conduct discovery under Level 2, Rule 190.3, Tex. R. Civ. P., but will not oppose any adverse party's request for discovery under Level 3.

2. This suit arises under Texas Insurance Code, Chapter 541, Subchapter B; Texas Business & Commerce Code, Section 17.46(b)(24); and Texas common law.

B. Jurisdiction and Venue

3. This Court has jurisdiction over the subject matter of this litigation because it raises claims based on Texas statutory and common law, and the amount at issue is in excess of the minimum jurisdictional limits of this Court.

4. Venue is appropriate in this Court because all, or a substantial part, of the events and omissions giving rise to the above claim occurred in El Paso County, Texas, which is where Plaintiff and the City of El Paso are located.

C. Parties

5. Plaintiff is a widow, seeking life insurance benefits for the death of her husband as a third party beneficiary of successive group life insurance contracts between Defendants and the City of El Paso, Texas. She resides in El Paso, Texas, and may be served for all purposes through her undersigned attorneys of record.

6. Defendant Standard is a corporation located in Portland, Oregon, but which has sufficient minimum contacts in the State of Texas to be subject to jurisdiction of its courts. See Attachment 2, Section B, p. 4, ¶ 3. It may be served through its registered agent for service of process, C T Corporation System, 1999 Bryan Street, Suite 900, Dallas, Texas 75201-3136.

7. Defendant StanCorp is a holding company created by Standard in 1999. Since then, it has had the same minimum contacts in the State of Texas through Standard, a subsidiary of StanCorp, to Plaintiff's best knowledge and belief. It may be served through its registered

agent for service of process, C T Corporation System, 1999 Bryan Street, Suite 900, Dallas, Texas 75201-3136.

8. Defendant Dearborn, the underwriter and administrator of the City's group life insurance plan since January 1, 2017, is a corporation whose "nerve center" is located in the state of Illinois, but which has sufficient minimum contacts in the state of Texas to be subject to its jurisdiction. It may be served through its registered agent for service of process, Corporation Service Company, 211 E. 7th St., Suite 620, Austin, Texas 78701-3218.

D. Summary of Contentions and Prior History

9. Ms. St. Pierre did all she could to get group insurance on her husband's life through her employer, the City of El Paso. Standard was the City's provider of group life insurance from July of 2009 through December 31, 2017, and Dearborn has been its successor from January 1, 2018, through the filing of this suit. Both companies made multiple promises to the City, which were eventually incorporated by reference into their group life insurance policies, assuring the City that they would perform numerous administration functions, including information to employees about their rights and obligations. Those commitments on the part of the two companies were not made in good faith, as they knew, or should have known, that the companies would not actually perform them. Instead, both Standard and Dearborn outsourced them to the City, which did not have employees on staff with the requisite knowledge and experience of the insurance business to administer the program without support and guidance from the companies. Ms. St. Pierre, as part of the City's workforce, was a third party beneficiary of the successive contracts between the City and its insurance underwriters. Based upon such standing, she sues both companies for joint and several, and in the alternative proportional, responsibility for her insurance proceeds, attorney fees, and costs.

10. This action was originally filed in the 243rd Judicial District Court of El Paso County, Texas, sub nom *Vanessa St. Pierre v. City of El Paso, Texas*, Cause Number 2019DCV2376. Following removal to Federal Court, it was dismissed, without prejudice, sub nom *Vanessa St. Pierre v. Dearborn National Life Insurance Company*, Docket Number EP-19-CV-00223-DCG. This suit is filed within the applicable two-year statute of limitations.

II. Facts

A. Standard's Contract with the City

11. On June 23, 2009, the City of El Paso issued a solicitation of offers for outside vendors to provide, inter alia, basic and supplemental life insurance. Attachment 1, first unnumbered page; Section B, page 1. Standard submitted its offer on July 27, 2009. Id., first unnumbered page.

[Note: The City's solicitation and Standard's offer, filling in the blanks on the solicitation, have been provided by the City as a single document. For the sake of clarity, this pleading has separated the City's solicitation from Standard's responses to questions from the City.]

12. Standard's address (920 S.W. Sixth Avenue, Portland, Oregon 97204) (Attachment 2, Section B, Page 3) is important because on the very next page and other places throughout the record, it refers to itself as "**The Standard**," which is the name of a different company located in New York. See <https://www.standard.com/about-standard/company>.

13. Concerning Standard's assistance to the City and its employees, the City posed the following question and received the following answer in response thereto:

[Question] "13. Will your representative be able to participate in open enrollment and new employee orientation meetings? (Open enrollment meetings will be conducted in October. New employee orientation meetings are conducted twice a month." [Sic, punctuation error.]

[Answer] "Yes, we welcome the opportunity to assist The City with orientation meetings as needed.

“The City of El Paso will be serviced by a dedicated National Accounts Management Team. The team members are led by your dedicated National Accounts Consultant, Jennifer Stacy, who acts as a client advocate and works closely with local sales and service office to meet and exceed your expectations.

“Local Employee Benefits Sales & Service Office:

Standard Insurance Company
2805 North Dallas Parkway
Suite 440
Plano, Texas 75093
(972) 943-1615
(800) 727-7112
(972) 943-1617 Fax

“The activities performed at our local Employee Benefits Sales & Service Office include assistance with enrollment and implementation, as well as general service and contract issues. This office will be your primary contact for new employee orientation meetings, led by both Jennifer Stacy (Portland) and Derek Jones (Dallas).”

Attachment 2, Section B, p. 6.

14. The next question further pursued the issue of services promised by Standard:

[Question] “14. Each successful bidder must provide a sufficient number of representations [sic] to properly enroll all eligible employees who wish to enroll during the initial open enrollment period and at each annual open enrollment. Please indicate your agreement.”

[Answer] “The Standard wants our policyholders to experience a smooth and comfortable transition and The City of El Paso’s dedicated National Accounts management team will manage every aspect of the implementation process from start to finish.

“As an Implementation Analyst will manage every aspect of the initial enrollment period as well as work with other National Accounts team members to create custom enrollment materials, deliver contracts and certificates, clarify claims processes, assist with benefit design, help with payroll administration and verify your reporting and billing requirements. [Sic, not a complete sentence.]

* * *

“Additionally, after the effective, date implementation resources will finalize implementation tasks, ensuring accurate premium billing, training on e-services, and smooth claims administration and reporting.” [Sic, punctuation error]

Id., pp. 6-7.

15. After discussing the claims process, which is not at issue in this case, the questionnaire proceeds to the critical element of how the employees can learn vital information about insurance coverage:

[Question] “18. Provide a sample of all standard communication material that will be provided to the City of El Paso for annual enrollment and use throughout the year.”

[Answer] “ENROLLMENT STRATEGY:

“The [sic] Standard provides a full range of enrollment services and we can create a customized marketing and enrollment strategy for the City of El Paso’s Life and Disability Insurance Program. The proposed strategy for The City’s plan is to develop an array of personalized information and enrollment tools using a combination of direct mailings and technology based services such as:

“*Customized precommunication and enrollment materials targeted to employees*

- Announcement and endorsement letters
- Posters, payroll stuffers, and training materials

“Personalized Enrollment Form System

- Paper forms customized with the employee’s individual plan benefit and premium information
- Customized Online and Interactive Voice Response (IVR) Enrollment system

“Utilizing these services we are confident employees will be able to make an informed benefit purchase decision.

“Sample communication materials have been provided for your review. These materials include informational brochures designed to educate and inform your employees of the coverage offered. We are able to customize these materials to the City’s specific plan designs, population and needs. Please find the same materials in Section 5.

“Normal costs for enrollment, communication, and implementation materials are included.

“Please see same communication materials located in Section 5.”

Id., pp. 8-9.

16. The following question and answer are inconsistent with commitments made at Attachment 3:

[Question] “19. What services are available on-line to:
a. City of El Paso Benefit Staff for management of the Plan

[Answer: Page and a half of materials listed.]

“b. City of El Paso employees enrolled in the plan for customer service.”

[Answer] “At this time, The Standard offers online claim form submission for employers only.”

Id., pp. 9-10.

17. After some questions not related to this suit, the questionnaire shifts to the topic, **Life Questionnaire** (Id., p. 12), begins renumbering, and obtains the following commitments from Standard:

[Question] “4. Will you offer a one time special open enrollment opportunity offering guarantee issue without evidence of insurability to all eligible applicants?” [Note: No distinction between employee and dependent supplemental life coverage.]

[Answer] “Yes.”

* * *

[Question] “6. What is the guaranteed issue amount for life insurance? What evidence of insurability is required? What is your turnaround for the EOI process?”

[Answer] “The guaranteed issue amount for voluntary life insurance is \$200,000.” [Standard did not answer the other two questions.]

Id., p. 13.

18. The appendices to the proposal start with a money-back guarantee of satisfaction, but the payback is only 5 percent. Attachment 3, first unnumbered page. From there, it describes an all-electronic operation of the program, trademarked “AdminEASESM.” Since they are mostly directed to the employer (the City, in this case), it is reasonable to infer that Standard expected the City to set up the program and teach the employees how to use it, which is very different from the “hands-on” approach laid out in response to the questionnaire. Id., first and second unnumbered pages. Cf. ¶¶ 11-13, supra, this document.

19. Presumably after learning the system from the employer, employees are guaranteed “**personalized employee enrollment experience, . . .** allowing them to directly manage their insurance affairs,” including “complete evidence of insurability electronically” and access to a “multilingual call center during enrollment periods.” Id., second and third unnumbered pages [emphasis supplied].

20. The Attachment goes on to guarantee access to an electronic “Medical History Statement” webform “simple and easy to submit online saving employees and employers time.” Id., third unnumbered page. All-electronic management, Standard says, would also enable the employer to monitor online applications and “monitor applications that require medical underwriting,” including “whether Standard has received a particular application, its status, coverage amounts, and ability to fit the data into a spreadsheet.” Id.

21. Also attached to Standard’s proposal was a copy of its brochure entitled “Group Life Insurance,” which differs from the questionnaire. As set out above, in response to the questionnaire, Standard said the guaranteed amount of life insurance was \$200,000, and it did not respond to the question about evidence of insurability. The brochure says supplemental life

insurance is available in the amount of up to \$300,000, but proof of insurability is necessary for employees and their spouses. Attachment 4, p. 8.

22. On December 11, 2009, the City accepted Standard's offer incorporating as the final agreement "the solicitation, [Standard's] offer, and the Purchase Order(s)" as the "final and complete repository of the agreements between the City and Standard Insurance Company." Attachment 5.

**B. Standard's Pocket Veto of Ms. St. Pierre's Application
for Supplemental Dependent Life Insurance**

23. Ms. St. Pierre became an employee of the City of El Paso ("the City") on or about August 11, 2014. On or about the second day of her in-processing as an employee, she received the Non-Uniform Employee Benefits Summary (Attachment 6), containing the following information about life insurance coverage from Standard, pertinent to this suit:

"Basic Life [emphasis in original] [following in ultra-fine print]. All eligible employees have \$50,000 in Life coverage; \$2,000 life cvg for spouse; and \$1,000 life cvg for each eligible dependent child.

Supplemental Life [emphasis in original] [following in ultra-fine print]. Approvals up to \$200,000 are guaranteed for new employees. After 30 days of continuous employment, changes can only be made with a qualifying life event or through Open Enrollment and subject to medical underwriting. Evidence of Insurability application for underwriting process will be required with waiting period of approximately six (6) weeks for an answer from carrier. Plan is age-graded term life policy."

Id. The language about guaranteed approval for new employees was consistent with both Standard's answer to the City's questionnaire (see paragraph 15, *supra*) and the oral presentation about life insurance.

24. After completion of the briefing, the last item in the exhausting second day of the three-day orientation was for employees to fill out a six-page form containing all of their elections about the various optional benefit plans available. There was no option for online

enrollment, as explicitly promised above in paragraph 13, and the first page of the enrollment form unhelpfully advised the new employees to “keep a copy of this form for your records,” without a copy machine anywhere in sight. The guaranteed approval of up to \$200,000 for new employees with no need for evidence of insurability was replaced in fine print, “Supplemental Life After Tax \$200,000 (written in) Pending E of I ____.” Below that it says “Dependent Life – spouse - \$100,000 (written in) Pending E of I ____.” Attachment 7, p. 3. Also gone was the promised participation of a Standard representative during the initial enrollment (Attachment 2, Section B, p. 6, ¶ 13), replaced by a loophole of unknown origin:

“TO ENROLL OR MAKE CHANGES IN THE FOLLOWING PLANS (SUPPLEMENTAL LIFE, DEPENDENT LIFE AND SHORT TERM DISABILITY, YOU MUST MEET WITH A REPRESENTATIVE. THEY WILL BE AVAILABLE DURING THE ENROLLMENT SESSIONS.”

Attachment 7, p. 3. There was no Standard representative in attendance. Standard simply stood up the employees and, at least on paper, made it impossible to enroll in any of the life insurance plans.

25. There was nothing about electronic evidence of insurability or even rudimentary information about how to provide “E” of it, nor in fact any information whatsoever how “E of I” goes from “pending” to “active” or “satisfied” status. Standard’s promise of “help with payroll administration,” verification of the City’s “reporting and billing requirements,” and “ensuring accurate premium billing” (supra, paragraph 14) all went out the window, replaced by:

“I UNDERSTAND THAT IT IS MY RESPONSIBILITY TO VERIFY THAT ALL PAYROLL DEDUCTIONS AS STATED ABOVE ARE CORRECT AND TO REPORT ANY DISCREPANCIES IN DEDUCTIONS ON MY PAYCHECK TO THE INSURANCE AND BENEFITS DIVISION IMMEDIATELY TO GUARANTEE PROPER COVERAGE AND CONTRIBUTIONS.”

Id., p. 6. Not only did the City, clearly acting as Standard's agent, excuse it from important responsibilities it had assumed, but also gave it another helpful loophole: the employees were not given a rate sheet or any other means of computing what premiums they ought to be paying. Finally, there are no deductions "stated above" anywhere in the enrollment form.

26. The only reasonable inference to be drawn from the wide disparity between the hands-on guidance Standard promised and the City's defective operation of its benefit plan five years later was a failed delegation, if not a complete abdication, of Standard's contractual duties to the City. Although not even eligible to perform as an agent under the Texas Insurance Code, the City nevertheless acted as agent of Standard under Texas principles of common law, and Standard is liable for the City's conduct under the common law doctrine of respondeat superior.

27. One thing the City did right was that it transmitted Ms. St. Pierre's application to Standard. That transmission is an undisputable fact because Standard did whatever was necessary to put Ms. St. Pierre's \$200,000 of insurance into effect, and the City began deducting premiums for insurance on her life no later than September 12, 2014. Attachment 8. In that respect, at least, Standard complied with its explicit 2009 promise to the City of guaranteed life insurance of \$200,000 issued to new employees. Paragraph 17, *supra*. As noted there, Standard did not answer the question about the "E of I" prerequisite. By August of 2014, it had apparently given a two-part answer as to the E of I requirement: no as to employees; yes as to dependents. Having made this decision, Ms. St. Pierre's application was granted in part and denied in part, but nobody told Ms. St. Pierre what had happened and why.

28. From 2014 through her husband's death on August 31, 2018, Ms. St. Pierre had no reason to suspect that Standard and the City had mishandled her application so badly. Instead, she reasonably inferred, from the biweekly pay deductions for insurance, that they had

behaved like the normal institutions they apparently were. At least as of 2009, Standard's life insurance brochure contained nothing about how an employee could resolve problems with a life insurance policy except the following:

"Should you have any questions or need additional information please contact your insurance advisor or the Employee Benefits Sales and Service Office for your area."

Attachment 4, second unnumbered page. A reasonable person in Ms. St. Pierre's circumstances would have believed that she had \$100,000 worth of coverage on her husband's life.

C. Dearborn Replaces Standard

29. Perhaps wanting better support from its underwriter, on July 26, 2017, the City requested proposals from employee benefit plans (Attachment 9), including a requirement that proposals "identify and explain your online eligibility and enrollment capabilities." *Id.*, 3rd highlighted page. The solicitation stated: "The successful offeror's proposal will be incorporated into the final contract." *Id.*, 4th highlighted page. There was also an indemnity clause requiring the bidder to indemnify the City against any possible claims. *Id.*, 5th highlighted page.

30. Dearborn submitted its proposal in response to the City's request on July 31, 2017. Attachment 10. In the first sentence, the proposal identified Dearborn's agent as "Marc Hernandez of T.E.B. Benefits Group." The Court can take judicial notice of T.E.B. Benefits' registration with the Secretary of State, which gives a home office address of 702 Wyoming Avenue, El Paso, Texas 79902.

31. Dearborn's proposal began with a five-page "Introduction and Overview" making, *inter alia*, the following commitments:

- “An Account Service team to make the transition to Dearborn National smooth and effective with minimal interruption to your employees.”
- Leadership “by an Account Manager who will work with your assigned employment coordinator . . . [and] be responsible for day to day contact with your chosen staff to answer . . . questions and to ensure service needs are handled quickly and effectively.”
- Account Manager will [inter alia] “provide strategic account management and consultation; support the City during the renewal process and ensure seamless transition” by participation in every facet of the transition process.
- Account Service team will have “ongoing meetings,” create and review draft contracts and certificates, **facilitate client service training**, work with City’s “benefit staff,” and conduct annual feedback services [emphasis supplied].
- [Dearborn’s] “Beneficiary Resource Services program helps beneficiaries and their families cope with sorrow and change.”

Id., pp. 1-4, highlighted portions.

32. On November 1, 2017, Dearborn submitted a “final offer” to the City containing, inter alia, the following terms not considered in its July 31 proposal:

“A one-time modified open enrollment with Life Insurance amounts of \$50,000 for employees and \$20,000 for spouses up to the Guarantee Issue Limit. Anyone wishing coverage over the Guarantee Issue Limit would still need to submit evidence of insurability. **In the event someone does not wish to change their elected amounts, the current amounts will be grandfathered.**”

Attachment 11, p. 1 [emphasis supplied].

33. The City accepted Dearborn’s “offer” on November 28, 2017 (Attachment 12), without differentiating between the initial proposal and the “best and final offer.” Attachments

10 and 11, *supra*. The Notice of Award stated: “The contract comprised of the solicitation, your offer, and the purchase order(s) constitutes a final and complete repository of the agreements.” Attachment 12, highlighted portion. The City would not submit a formal, written application to Dearborn for group life until December 14, 2017, the last day of Open Enrollment. See paragraph 36, *infra*. Dearborn would not issue a policy until on or about January 1, 2018. See paragraph 37, *infra*.

34. The City’s request for proposals and Dearborn’s proposal total nearly 200 pages. The City’s pre-enrollment information and enrollment form contain a scant 18, apparently prepared without input from Dearborn. The Notice of 2018 Open Enrollment (Attachment 13) is not written in plain, readable, understandable language. For instance, it instructs employees, “Make sure you review the supplemental life insurance rate sheet because your rate increases as you move up into the next age group.” *Id.*, p. 8. There is no rate sheet provided. The brochure does contain, however, this one exception to its general lack of clarity:

“You will only have to re-enroll if you are making changes. If not, your current plans will roll over to the next year and the rates will be adjusted accordingly.”

Id., p. 9, emphasis in original. However, it does not tell employees how to verify their current plans nor the rate they should be paying.

35. When Ms. St. Pierre attended the open enrollment session on December 13, 2017, she filled out the enrollment form in her own handwriting, except for the rates for employee and spouse/dependent life insurance. She told the HR rep that she did not know the rates to put in the blank provided, but she wanted the same coverages as she previously had. Not surprisingly, given the brochure’s language, he wrote “Same” in both spaces for both insurance coverages. He also checked the box for “Employee + Dependent(s).” The handwriting and the pen used

clearly show that portion of the form was not completed by Ms. St. Pierre. Attachment 14. In very fine print just below the HR rep's handwritten entries is the following confusing language:

"Employees may increase their supplemental life volume [sic] without Evidence of Insurability (E of I) by up to \$50,000 not to exceed a total of \$200,000. Spouses may increase their supplemental life volume [sic] without E of I [sic – punctuation error in original] by up to \$20,000 not to exceed \$20,000. Any increased amount in excess of these limits is subject to E of I."

As in 2014, there was the same "bricks without straw" requirement "to verify that all payroll deductions are correct and report any discrepancies in deductions on my paycheck to the HR benefits services immediately to guarantee proper coverage and contributions," but without a rate sheet to make the necessary calculations. *Id.*, p. 2.

36. On December 14, 2017 (the last day of open enrollment), the City made a purchase order to Dearborn for group life insurance (Attachment 15), even though it had already marketed Dearborn insurance coverage as set out above. In its purchase order, the City as "Policyholder" represents that coverage of individual employees ("insureds") is subject to approval of their applications by Dearborn after any required "medical underwriting," a term not defined in the agreement. The City and its employees "are subject to all policy terms and provisions and trust agreements," the full content of which is presently unknown to Ms. St. Pierre. The City is responsible for collecting and paying the premiums to Dearborn, sending employees' applications to Dearborn, giving "certificates" to the employees, reporting group changes to Dearborn, and keeping records of employee eligibility. The City expects Dearborn to agree, at least implicitly, to issue a "master policy and certificates." *Id.*, p. 2. Ms. St. Pierre is presently without complete knowledge as to compliance, *vel non*, with any of those undertakings by the City or Dearborn.

37. On or before January 1, 2018, Dearborn accepted the City's application (Attachment 15, *supra*) and issued a life insurance policy. (Attachment 16). Its provisions are restricted to the eight meager pages of the policy itself, the certificate of coverage, the City's application, and the employees' signed enrollment forms. *Id.*, p. 4. There is a rate addendum attached, *Id.*, p. 5, but employees had no access to this document. It almost seems like Dearborn was attempting to absolve itself of all the reassuring language in its initial response to the RFP (Attachment 10), its final offer (Attachment 11), the Notice of Open Enrollment (Attachment 13), and the City's purchase order.

38. However, the policy made one significant promise to the employees themselves: An "inadvertent" or "clerical error or omission" by Dearborn "will not prevent an *employee* from receiving coverage, if he is entitled to coverage under the terms of the policy; or cause coverage to begin or coverage to continue for an employee when the coverage would not otherwise be effective." Attachment 16, p. 4. The clause continues that if the City gives Dearborn "information about an employee that is incorrect, [Dearborn] will use the facts to decide whether the employee has coverage under the policy and in what amounts; and make a fair adjustment of the premium." *Id.*

39. On January 2, 2018, Dearborn created a 32-page document entitled "**Term Life and AD&D Insurance**," subtitled "*Employee Benefit Booklet*," for the City of El Paso. Attachment 17. The first page is a certificate of the policy issued by Dearborn to the City (Attachment 16), but does not include the complete policy, especially not the all-important rate sheet. Thus it required employees, in the absence of access to rate sheets, to queue up at the Benefits Department just to be on the safe side. Ms. St. Pierre never knew this document existed

until after her husband had died, she went looking for information, and found it on the City's website as set out below in paragraph 40.

D. A Widow's Odyssey

40. On or about August 31, 2018, Ms. St. Pierre's husband passed away. On or about September 11, she called the Benefits Department to inquire about how to obtain her late husband's insurance benefits. The person who answered the phone told her that she had no dependent coverage on her husband's life. Ms. St. Pierre asked to speak to a supervisor, and received the same answer. On September 12, 2018, Ms. St. Pierre emailed the first page¹ of Attachment 14 to the Benefits Department. About this same time, she discovered Attachment 17 on the City's website and began to realize the damage she had suffered from the mistakes committed by Dearborn and the City.

41. Ms. St. Pierre then took her case to Mary Michel, Human Resources Assistant Director. Attachment 18. On or about October 2, she met with Ms. Michel, Zulema Perez (also from HR), and T.E.B. employee Brenda Kinderman, representing Dearborn's interests. Ms. Michel and Ms. St. Pierre disagreed about whether she had ever received the form to provide evidence of insurability. Ms. Michel admitted the City's mistake in failing to deduct the premiums, apparently not having connected the dots implicating Standard. See paragraphs 23-25 (*supra*). She offered to settle the claim for \$20,000, but Ms. St. Pierre declined and instead retained the undersigned attorney, who submitted a claim for benefits. Attachment 19.

42. At Dearborn's insistence (Attachment 20), Ms. St. Pierre herself filled out a claim form (Attachment 21), dated November 20, 2018, and sent it to Dearborn, which responded that its "family is working on your behalf" and offering help "with the unique challenges that result from losing a loved one." Attachment 22. On December 12, 2018, Dearborn sent her a \$2,000

¹ The second page was obtained from Dearborn through informal discovery under Rule 26(f) Fed. R. Civ. P.

check, the minimum amount of dependent life insurance for employees who make no election for higher coverage. Attachment 23.

43. On February 15, 2019, Ms. St. Pierre's attorney requested notice of the amount of premiums which the City had mistakenly failed to deduct from her pay, so that she could tender the amount by cashier's check to the City of El Paso. Attachment 24. Neither Dearborn or the City ever responded to that request. That did, however, trigger a letter by the City to Dearborn, an inartfully termed "tender [sic] of defense and indemnity of third party claim." Attachment 25. The letter does, however, refer to "Part 7 [Contract Clauses], Section 4 [Indemnification]," the fifth page of Attachment 9 hereto, which obligates Dearborn to indemnify and defend the City, not vice versa. The important thing is that both the City and Dearborn rejected Ms. St. Pierre's offer to correct the City's oversight by paying whatever money it should have deducted.

44. By letter dated April 1, 2019, the City informed Ms. St. Pierre, through counsel, that it had "tendered² your client's dependent life insurance claim to Dearborn National for handling." Attachment 26.

E. Dearborn Denies the Claim

45. By letter dated May 16, 2019, Dearborn denied Ms. St. Pierre's claim. After two pages of boilerplate (Attachment 27, Bates pp. 348-349), it asserted, by fair implication, that Ms. St. Pierre was responsible for all of her misfortune:

- She should have known somehow that she had no coverage on her husband's life;
- She should have known to request an E of I form, how to fill it out, and where to send it;

² Someone in the City's HR Department really likes the word "tender."

- She should have known that the City was not deducting the correct amount from her paychecks to cover insurance on her life and her husband's; and
- The reason she should have known all this is because, on November 17, 2016, she "logged into the employee benefits system to review her benefits and made no changes."

46. The first three statements assume a level of knowledge, sophistication, and downright suspicion of her employer's competence and honesty, which only a tiny percentage of any work force could have. The last statement, that she reviewed her benefits, is made with reckless disregard of the truth. It is based on an Excel spreadsheet, provided by the City to Dearborn, containing 3,370 lines of data, line 2,768 of which shows that Ms. St. Pierre logged onto the City's benefit system website, but does not show that she reviewed her benefits. Ms. St. Pierre alleges as fact that the sole purpose of that visit was to indicate that she wanted to make no change in her benefits. At the time, she had no reason to believe that Dearborn's predecessor had granted her application for insurance on her own life, but denied – without acknowledgment or explanation – the portion of her application seeking to insure her husband's life.

47. That failing on the part of Standard was the original cause of Ms. St. Pierre's misfortune. It received her enrollment form covering her and her husband, with no E of I for either, and then caused the City to deduct only the premium for employee coverage. How and why they did that is not within Ms. St. Pierre's present knowledge. Because she had no coverage on her husband's life, she was ineligible for "grandfathering." The logical response from Dearborn would have been to point this out.

48. The most plausible explanation why Dearborn did not blame Standard is that both companies did basically the same thing: they each made promises to the City which they knew,

or should have known, they were not going to keep. In 2009, Standard assured the City that it would participate in one open enrollment and 24 new employee orientation meetings per year. Attachment 2, Section B, p. 6. At the time, Standard had 2,452 contracts in the state of Texas, Id. p. 4, serviced by only 33 employees in the entire state. Fifty round trips to El Paso a year for only a single client seems like an insurmountable burden. Five years in, Standard sent nobody to El Paso, but the City made Ms. St. Pierre sign a statement that she had to “meet with a representative” in order to submit an application. Attachment 7, p. 0003.

49. Dearborn had at least two agents in El Paso, Marc Hernandez and Brenda Kinderman, located within easy walking distance from El Paso City Hall, and neither one of them was there to prevent or correct the ongoing mistakes in the City’s enrollment process, the very first under the new contract.

50. Furthermore, Dearborn had a chance to correct Standard’s mistake by looking at Ms. St. Pierre’s 2018 enrollment form, seeing that it sought grandfather coverage for somebody who wasn’t signed up, and notifying the City, if not Ms. St. Pierre herself, of the need to correct the problem.

51. No later than August 12, 2014, and continuing at least through January 1, 2018, Standard and Dearborn stopped performing the enrollment duties which they had assumed by their respective contracts with the City. By words, acts, failures to act, or other means presently unknown to Ms. St. Pierre, they delegated these responsibilities to the City, either knowing or chargeable with knowledge that the City did not have the expertise and wherewithal to perform Defendants’ enrollment obligations without close supervisions and assistance from Defendants. Predictably, the City employees functioning in place of insurance company representatives made errors which both insurers compounded by their inattention to the enrollment forms.

52. All Attachments hereto are incorporated into the above Statement of Facts, as if fully set out therein.

III. Agency Relationship and Respondeat Superior

53. At all times relevant herein, the City acted as Defendants' agent under Texas common law, performing Defendants' enrollment functions as set out above by agreement, conduct, acquiescence, default, or some combination thereof. At all times relevant herein, Defendants knew or should have known that the City lacked the expertise to perform Defendants' duties. Defendants are therefore responsible for the City's acts under the common law doctrine of respondeat superior.

IV. Standing

54. Ms. St. Pierre was a putative and intended third party beneficiary of the contracts between Defendants and the City. By the death of her husband, she has a vested interest in the proceeds of his life insurance, denial of which is an injury to her personally.

V. First Cause of Action: Deceptive Practices

55. Defendants' acts, practices, or a combination thereof violated:

(a) Texas Insurance Code Chapter 541, Subchapter B, false and misleading representations to the City about the benefits and advantages of their policies to City employees;

(b) Texas Insurance Code Section 541.061(2), failing to state material facts necessary to make other statements made not misleading, considering the circumstances under which the statements were made;

(c) Texas Insurance Code Section 541.061(3), making a statement in a manner that would mislead a reasonably prudent person to false conclusions of material fact;

(d) Texas Business and Commerce Code Section 17.46(b)(12), representing that an agreement confers rights, remedies, or obligations which it does not in fact involve; and

(e) Texas Business and Commerce Code Section 17.46(b)(24), failing to disclose information about the evidence of insurability requirement and calculation of pay deduction rates which were known at the time and with intent to dissuade employees such as Ms. St. Pierre from taking measures necessary to protect themselves and their rights.

VI. Second Cause of Action: Promissory Estoppel

56. Defendants are estopped to deny Ms. St. Pierre's coverage for the following reasons:

(a) Through the City's open enrollment procedures, Defendants implicitly promised the City that neither of them would engage in any of the deceptive acts or practices set out above.

(b) Ms. St. Pierre reasonably and substantially relied on the good faith of her employer and its insuring underwriters by not engaging in the complicated self-education necessary to comply with requirements which were deliberately vague.

(c) It was foreseeable to Defendants and the City that Ms. St. Pierre would rely on the implied promises. Enforcement of the contract is necessary to avoid injustice.

VII. Third Cause of Action: Breach of Contract

57. The policy issued by Dearborn explicitly promised employees that they would not be victimized by "inadvertent clerical errors or omissions." Ms. St. Pierre is currently without knowledge as to the Standard policy in effect in August of 2014. As set out above, both companies, and the City acting in their behalf, made inadvertent clerical errors and omissions

which cost Ms. St. Pierre \$100,000 of insurance proceeds on her husband's life. Dearborn is therefore contractually obligated to pay her that amount, plus attorney fees, interest, and costs.

58. Ms. St. Pierre explicitly reserves the right to amend her pleadings to make a similar claim against Standard if discovery shows that it made a similar promise.

VIII. Treble and Additional Damages

59. In all of the acts set out above in paragraph 55 (*supra*), Defendants acted knowingly, which entitles Ms. St. Pierre to recover treble damages under the Texas Insurance Code Section 541.152 and additional damages under Texas Business and Commerce Code Section 17.50(b)(1).

IX. Required Notices

60. It was impracticable for Plaintiff to give Defendants written notice under Texas Business & Commerce Code § 17.505(a) and Texas Insurance Code § 541.154(a), because Plaintiff needed to file this suit to prevent the expiration of the statute of limitations. Therefore, written notice was not required. See Tex. Bus. & Com. Code §17.505(b) and Tex. Ins. Code § 541.154(c)(1).

X. Attorney Fees

61. Ms. St. Pierre is entitled to recover reasonable and necessary attorney fees under Texas Insurance Code Section 541.152(a)(1), Texas Business and Commerce Code Section 17.50(d), and Texas Business and Commerce Code Section 38.001. Ms. St. Pierre submits that a reasonable attorney fee under the above circumstances would be \$404 per hour.

XI. Jury Demand

62. Plaintiff respectfully demands trial by jury herein.

XII. Conclusion

63. Plaintiff therefore prays that, upon a final hearing hereof, she have judgment against Defendants for \$100,000, treble damages under the Texas Insurance Code, additional damages under the Texas Deceptive Trade Practices Act, her attorney fees and other costs, prejudgment and postjudgment interest, and such other relief as to which she may show herself justly entitled.

RESPECTFULLY SUBMITTED this 28th day of August, 2020.

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By: /s/ Michael T. Milligan
MICHAEL T. MILLIGAN

ATTORNEYS FOR PLAINTIFF

ATTACHMENT 1

SOLICITATION OF OFFERS
ISSUED BY
THE CITY OF EL PASO
FINANCIAL SERVICES / PURCHASING DIVISION

SOLICITATION NO: 2009-262R**DATE ISSUED: JUNE 23, 2009**

TITLE: CITY OF EL PASO 2009 EMPLOYEE SUPPLEMENTAL BENEFITS
OFFICE OF MANAGEMENT AND BUDGET - INSURANCE AND BENEFITS DIVISION

An original, signed, sealed, OFFER to furnish the goods and/or services set forth in the SCHEDULE will be received at the place indicated below, until:
2:00 PM, local time, WEDNESDAY, JULY 29, 2009

NOTICE When used in formal RFP solicitations, the terms 'offer' and 'RFP', and 'offeror' and 'bidder' are interchangeable.

ADDRESS OFFERS TO:
PURCHASING MANAGER
FINANCIAL SERVICES / PURCHASING DIVISION
CITY OF EL PASO

MAIL TO:

CITY OF EL PASO OR
FINANCIAL SERVICES DEPARTMENT/PURCHASING DIVISION
TWO CIVIC CENTER PLAZA, 7TH FLOOR
EL PASO, TX 79901-1198

HAND DELIVER TO:

CITY HALL, 7TH FLOOR
2 CIVIC CENTER PLAZA
FRANKLIN & SANTA FE ST.
EL PASO, TX 79901

FOR ADDITIONAL INFORMATION CONCERNING THIS SOLICITATION, CONTACT:
MICHAEL W. PLUM, ADMINISTRATIVE ANALYST
Telephone: [915] 541-4113 FAX: [915] 541-4347 Email: plummw@elpasotexas.gov

EXPIRATION OF OFFERS

The offeror agrees, to furnish all items [supplies or services] at the prices offered, and delivered at the designated point or points, within the time set forth in the SCHEDULE, if this offer is accepted within NINETY [90] consecutive days from the date set for the receipt of offers.

AMENDMENTS TO SOLICITATION

Receipt of all numbered amendments to Solicitations must be acknowledged:

AMENDMENT	DATED	AMENDMENT	DATED	AMENDMENT	DATED	AMENDMENT	DATED
A001	7/16/09	A002	_____	A003	_____	A004	_____
A005	_____	A006	_____	A007	_____	A008	_____

OFFER SUBMITTED BY**Standard Insurance Company**

COMPANY NAME AS IT APPEARS ON ORGANIZATION CERTIFICATE ISSUED BY STATE IN WHICH COMPANY WAS ORGANIZED

920 SW Sixth Avenue

STREET ADDRESS

Portland, OR 97204

CITY, STATE AND ZIP CODE

971.321.7000

TELEPHONE NUMBER

971.321.6404

FAX NUMBER

socallah@standard.com

E-Mail address

PLEASE CHECK PREFERRED ADDRESS FOR RECEIVING SOLICITATION DOCUMENTS.

OFFER EXECUTED BY [PLEASE PRINT]**G. Sky O'Callahan, AVP Customer Support**

NAME AND TITLE OF PERSON AUTHORIZED TO OBLIGATE COMPANY

July 27, 2009

SIGNATURE AND DATE OF OFFER

WITHOUT AN ORIGINAL SIGNATURE ON THIS OR OTHER DOCUMENT BINDING THE OFFEROR, THE OFFER WILL BE REJECTED

NOTE: AWARD OF THE CONTRACT RESULTING FROM THIS SOLICITATION WILL BE MADE TO THE SUCCESSFUL OFFEROR BY AN AUTHORIZED WRITTEN NOTICE, WHICH MAY BE IN THE FORM OF A LETTER NOTICE OF AWARD OR A PURCHASE ORDER ISSUED BY THE CITY OF EL PASO. THIS IS A ONE TIME CONTRACT ☐

SECTION A
SCHEDULE OF ITEMS

CITY OF EL PASO 2009 EMPLOYEE SUPPLEMENTAL BENEFITS
OFFICE OF MANAGEMENT AND BUDGET - INSURANCE AND BENEFITS DIVISION

RFP NUMBER: 2009-262R

RFP OPENING DATE: 07/29/2009

The intent of this document is to provide interested and qualified vendors with sufficient information to submit innovative responses for CITY OF EL PASO 2009 EMPLOYEE SUPPLEMENTAL BENEFITS. The City of El Paso will consider all responses submitted and will select the firm most responsive and best suited for the City's needs in the sole opinion of the City of El Paso.

The term of this contract shall be for: **FORTY-EIGHT (48) MONTHS.**

NOTE 1: **CONDITIONAL OFFERS WILL NOT BE ACCEPTED.**

NOTE 2: **BIDDERS ARE REQUIRED TO SUBMIT OFFERS ON THE PRESCRIBED FORM(S) (UNALTERED). OFFERS SUBMITTED ON OTHER THAN THE PRESCRIBED FORM(S) MAY BE CONSIDERED INCOMPLETE OR NON-RESPONSIVE. FAILURE TO FURNISH REQUIRED DOCUMENTATION WITH THE RFP MAY RESULT IN THE RFP BEING DEEMED INCOMPLETE AND NON-RESPONSIVE, RESULTING IN REJECTION.**

NOTE 3: **THE CITY IS NOT RESPONSIBLE FOR LOCATING OR SECURING ANY INFORMATION THAT IS NOT IDENTIFIED IN THE OFFER AND REASONABLY AVAILABLE TO THE CITY, AND THE CITY WILL NOT BE RESPONSIBLE FOR LOCATING OR SECURING INFORMATION NOT INCLUDED WITH THE OFFER. IN CONDUCTING ITS ASSESSMENT THE CITY MAY USE DATA PROVIDED BY THE BIDDER AND DATA OBTAINED FROM OTHER SOURCES, BUT WHILE THE CITY MAY ELECT TO CONSIDER DATA OBTAINED FROM OTHER SOURCES THE BURDEN OF PROVIDING THOROUGH AND COMPLETE INFORMATION RESTS WITH THE BIDDER.**

NOTE 4: **AT ANY TIME DURING THE TERM OF THE CONTRACT THE PURCHASING MANAGER OR DESIGNATED PERSONNEL MAY INCREASE OR DECREASE THE SCOPE OF SUPPLIES AND OR SERVICES AS HE MAY FIND NECESSARY TO ACCOMPLISH THE GENERAL PURPOSE OF THE CONTRACT.**

NOTE 5: **ALL GOODS AND SERVICES DELIVERED SHALL COMPLY WITH THE SPECIFICATIONS SET FORTH IN SECTION B. DESCRIPTIVE LITERATURE CONTAINING SUFFICIENT INFORMATION TO DETERMINE PRODUCT COMPLIANCE WITH SPECIFICATIONS MUST ACCOMPANY RFP. THE CITY OF EL PASO RESERVES THE RIGHT TO REQUEST SAMPLES FROM BIDDER(S) PRIOR TO AWARD OF CONTRACT.**

NOTE 6: **BIDDER MUST SUBMIT WITH HIS OFFER A COPY OF THE COMPANY'S ORGANIZATION CERTIFICATE ISSUED BY THE SECRETARY OF STATE OF THE STATE IN WHICH THE BIDDER/PROPOSER WAS ORGANIZED. ALSO, A DBA CERTIFICATE MUST BE PROVIDED IF THE BIDDER/PROPOSER USED A TRADE NAME IN THE SOLICITATION DOCUMENTS OTHER THAN THE NAME UNDER WHICH THE COMPANY WAS ORGANIZED. FURTHER, THE BIDDER/PROPOSER MUST FILL OUT THE AFFIDAVIT IN SECTION D STATING WHAT NAMES THE COMPANY USES AND HAS USED IN THE PAST AND ATTEST THAT ALL SUCH NAMES DESCRIBE THE COMPANY CURRENTLY SUBMITTING A RFP OR PROPOSAL.**

NOTE 7: **IN ADDITION TO ANY OTHER DISCOUNT, THE CITY IS ENTITLED TO A DEDUCTION FOR FEDERAL EXCISE TAX IF IT IS INCLUDED ON THE MANUFACTURER'S PUBLISHED PRICE LIST FOR APPLICABLE ITEMS, AND CONTRACTOR MUST INVOICE ACCORDINGLY. A FEDERAL TAX EXEMPTION CERTIFICATION WILL BE PROVIDED BY THE CITY, UPON REQUEST.**

NOTE 8: **ACCURACY OF ESTIMATED QUANTITIES – THE CITY BELIEVES THAT THE NUMBERS USED AS ITEM QUANTITIES TO BE A REASONABLY ACCURATE ESTIMATE; HOWEVER, THE ACTUAL QUANTITY**

BIDDER'S [COMPANY] NAME Standard Insurance Company

MAY BE MORE OR LESS THAN THE ESTIMATE, AND SHALL NOT BE THE BASIS FOR ANY CHANGE IN THE CONTRACT PER UNIT PRICE. ADDITIONALLY, ESTIMATES ARE MINIMUMS, BUT NOT GUARANTEED MINIMUMS, AND THE CONTRACT COST CAN INCREASE SO LONG AS THE UNIT COSTS REMAIN THE SAME AND INCREASED FUNDS ARE APPROPRIATED IN THE BUDGET.

NOTE 9: ANY MANUFACTURER NAMES, TRADE NAMES, BRAND NAMES, OR CATALOG NUMBERS USED IN THESE SPECIFICATIONS ARE FOR THE PURPOSE OF DESCRIBING AND ESTABLISHING MINIMUM REQUIREMENTS OR LEVEL OF QUALITY AND DESIGN REQUIRED. THEY ARE IN NO WAY INTENDED TO PROHIBIT THE BIDDING OF OTHER MANUFACTURERS' ITEMS OF EQUAL MATERIAL AND QUALITY OR MEANT TO EXCLUDE ANY OTHER MAKE AND MODEL FROM BEING CONSIDERED. VENDORS WHO WISH TO RFP A FUNCTIONALLY EQUIVALENT ITEM(S) WHICH MEETS OR EXCEEDS THE SPECIFICATIONS MUST FURNISH WITH THE RFP DESCRIPTIVE LITERATURE CONTAINING SUFFICIENT INFORMATION TO DETERMINE PRODUCT COMPLIANCE.

COOPERATIVE PURCHASING

This contract may be utilized for purchases by other local government entities under an inter local cooperation agreement, Texas Government Code Chapter 791. Any contract award by the City of El Paso on behalf of another local government entity shall be contingent upon the issuance of a purchase order or execution of a separate contract by the other local government entity. The Contractor must deal directly with the local government entity concerning the placement of orders, issuance of the purchase order, insurance certificates, contractual disputes, invoicing and payment or any other terms and conditions that the other local government entity may require. The actual utilization of this contract award by the other local government entity is at the sole discretion of that other local government entity.

The City of El Paso is acting on the behalf of other local government entities for the sole purpose of complying with Texas competitive bidding requirements and shall not be held liable for any costs, damages, etc. incurred by any bidder with regard to any purchase by another local government entity. The City of El Paso shall be legally responsible only for payment for goods and services in the quantities detailed in the City's own purchase order or contract.

KEY EVENTS SCHEDULE

- Request for proposals posted TUESDAY, JUNE 23, 2009
- Deadline for questions and clarifications MONDAY, JULY 6, 2009
- Response to questions and clarifications WEDNESDAY, JULY 15, 2009
- Proposals due WEDNESDAY, JULY 29, 2009
- Phase I evaluations completed To be determined
- Vendor presentations To be determined
- Award To be determined

COPIES AND SUBMISSION

- Paper – ONE (1) bound, signed original of the proposal response form and THREE (3) copies must be included in the sealed submission. Proposers must provide enough information with their bid to constitute a definite, firm, unqualified and unconditional offer. The proposer shall submit their proposal on the forms (UNALTERED) as furnished by the City
- Electronic – One (1) virus-free electronic copy of the proposal is required.
 - ♦ Delivery of the proposal must be made in Microsoft Word 2003 or later versions on CD-ROM.
 - ♦ Label the electronic media with the Proposer's name and RFP number.

The submission or attachment of company "Quotation Forms" or any other documents containing alternative terms and / or conditions is not acceptable and may result in proposal being deemed non-responsive. Unauthorized additions, serious omissions, irregularities of any kind which make the proposal incomplete, indefinite or otherwise ambiguous are not acceptable and may result in proposal being deemed non-responsive.

BIDDER'S [COMPANY] NAME Standard Insurance Company

Goals and Objectives

The City of El Paso has decided to conduct this RFP review process in order to:

1. Review these aspects of the City of El Paso's benefit programs to ensure price competitiveness, service and benefit access at optimum levels.
2. Improve cost minimization by investigating alternatives.

The City of El Paso welcomes alternative proposals that your company is able to offer and that would be of greater value than what has been requested in this RFP. The City of El Paso reserves the right to return to the top candidates to request a Best and Final Offer (BFO) based upon one or more components of the initial proposal. The City of El Paso reserves the right to negotiate certain terms and conditions relative to the contract. The City also reserves the right to choose the products that are in the best interest of the City.

Consultant

Hay Group has been engaged to assist in preparing this RFP document and in the selection process.

BIDDER'S [COMPANY] NAME Standard Insurance Company

2009-262R City of El Paso 2009 EMPLOYEE SUPPLEMENTAL Benefits

SECTION A, PAGE: 3

CONTRACT TERMS

THIS IS A FOUR YEAR CONTRACT. The City of El Paso wishes to sign a four-year initial contract from January 1, 2010 through December 31, 2013, with the City of El Paso having the right to renew for two additional two-year renewal terms from January 1, 2014 through December 31, 2015 and January 1, 2016 through December 31, 2017.

OPTION TO EXTEND THE TERM OF THE AGREEMENT

NOTE: NOT AN AWARD FACTOR – CHECK ALL APPROPRIATE BOXES

The City at its sole discretion, may exercise any option to extend the term of the agreement, by giving the Contractor written notice within the time period noted on the selected options.

Bidder offers the City the option of extending the term of the contract for:

- ☐ Two [2] additional years (January 1, 2014 through December 31, 2015) at the same unit price(s), if the option is exercised prior to the expiration of the original term of the Contract:
- ☐ Two [2] additional years (January 1, 2016 through December 31, 2017) at the same unit price(s), if the option is exercised prior to the expiration of the term of the first optional extension of the Contract:
- ☒ **NO OPTION OFFERED**

PROMPT PAYMENT

Unless a prompt payment discount is offered and accepted by the City of El Paso, payments will be made to the Contractor within thirty (30) days following acceptance of goods or services, or receipt of a properly prepared invoice by the City Department identified in the Invoice Instructions set forth on the Purchase Order, whichever is later. Any discount for prompt payment will be calculated from the day goods or services are accepted or when a properly prepared invoice is received. Payments will be considered to have been made on the date of mailing (postmark) of the payment check or, for an electronic funds transfer, the specified payment date. Invoices are to be submitted in single copy to the appropriate Department.

PAYMENT TERMS: Please mark appropriate block.

____ % - 10 Days ☐
 ____ % - 20 Days ☐
 ____ % - 30 Days ☐
Net - 30 Days ☒

LATE PAYMENTS

Late Payment fees will incur at the State of Texas statutory rate.

BIDDER'S [COMPANY] NAME Standard Insurance Company

REMITTANCE ADDRESS

If remittance address is different from address shown on the face of the solicitation form, complete the following:

REMIT TO: Standard Insurance Company

ATTN: "Remit ID Number"

MAIL ADDRESS: 920 SW Sixth Avenue

Portland, Or 97204

REQUESTS FOR CLARIFICATION

In order to meet the City's schedule for awarding this requirement it is extremely important that requests for clarification or additional information, or requests for a change in the specifications, be submitted in writing no later than JULY 6, 2009. Each vendor submitting questions shall clearly address each question by reference to a specific section, page and item of this solicitation. Questions submitted after this date may not elicit a response.

CONTRACT ADMINISTRATOR CONTACT INFORMATION

MICHAEL W. PLUM
ADMINISTRATIVE ANALYST
Fax: (915) 541-4347
Email: plummw@elpasotexas.gov

City of El Paso
Financial Services Department/Purchasing Division
Two Civic Center Plaza, 7th Floor
El Paso, TX 79901-1196
Attn: MICHAEL W. PLUM

Please refer to RFP Number/Contract Number and Title in all correspondence.

It is the vendor's responsibility to follow up and make certain that the City of El Paso Purchasing Division received the request. Vendors shall promptly notify the City of El Paso Purchasing Division of any ambiguity or inconsistency which they may discover upon examination of a solicitation document. During the RFP process, vendors shall not contact any City staff except those designated in the text of this solicitation or in subsequent documentation. Non-compliance with this provision may result in rejection of the offer involved.

BIDDER'S [COMPANY] NAME Standard Insurance Company

2009-262R City of El Paso 2009 EMPLOYEE SUPPLEMENTAL Benefits

SECTION A, PAGE: 2

CONE OF SILENCE

"Cone of Silence" is imposed upon each bid, RFQ or RFP after advertising and terminates at the time the Purchasing Manager places a written recommendation on City Council Agenda. The Cone of Silence prohibits any communication regarding bids, RFQs or RFPs between, among others:

- Potential vendors, service providers, Bidders, lobbyists or consultants and City's professional staff.
- Potential vendors, service providers, Bidders, lobbyists or consultants, any member of the City's professional staff, the Mayor, Council Representatives or their respective staff and members of the respective selection committee.

The provisions do not apply to, among other communications:

- Oral communications with the Purchasing Manager or Contract Administrator, provided the communications is limited strictly to matters of process or procedure already contained in the solicitation document;
- The provisions of the Cone of Silence do not apply to oral communications at pre-proposal or pre-RFP conferences, oral presentations before selection committees, contract negotiations during duly notice public meeting, public presentations made to the Mayor and Council Representatives during a duly noticed public meeting; or
- Communications in writing at any time unless specifically prohibited by the applicable bid, RFQ or RFP document.

In addition to any other penalties provided by law, violation of the Cone of Silence by any proposer or Bidder shall render that proposer's or Bidder's bid, RFQ or RFP award voidable. Any person having personal knowledge of a violation of these provisions shall report such violations to the City Attorney.

BIDDER'S [COMPANY] NAME Standard Insurance Company

SECTION B
SCOPE

CITY OF EL PASO 2009 EMPLOYEE SUPPLEMENTAL BENEFITS
OFFICE OF MANAGEMENT AND BUDGET - INSURANCE AND BENEFITS DIVISION

BID NUMBER: 2009-262R
BID OPENING DATE: 07/29/2009

BACKGROUND AND SPECIFICATIONS

I. General Information

The City of El Paso currently makes available to its employees a variety of employee benefit programs. At this time the City of El Paso is seeking proposals from qualified vendors who can provide the following services for a January 1, 2010 effective date:

- Basic Life Insurance
- Supplemental Life Insurance
- Voluntary Dental Insurance
- Voluntary Vision Insurance
- Voluntary Disability Insurance

The City of El Paso may elect to award these services separately and independently to qualified vendors.
Noted

Goals and Objectives

The City of El Paso has decided to conduct this RFP review process in order to:

1. Review these aspects of the City of El Paso's benefit programs to ensure price competitiveness, service and benefit access at optimum levels.
2. Improve cost minimization by investigating alternatives.

The City of El Paso welcomes alternative proposals that your company is able to offer and that would be of greater value than what has been requested in this RFP. The City of El Paso reserves the right to return to the top candidates to request a final proposal based upon one or more components of the initial proposal. The City of El Paso reserves the right to negotiate certain terms and conditions relative to the contract. The City also reserves the right to choose the products that are in the best interest of the City.

Noted

Consultant

Hay Group has been engaged to assist in preparing this RFP document and in the selection process.

Noted

Proposal Specifications

Vendors are encouraged to present proposals that are based on the unique capabilities and resources of their organization and that, at the same time, recognize the City of El Paso's specific needs.

The assumptions upon which your proposal should be based are outlined in Sections II and III.

Noted

BIDDER'S [COMPANY] NAME Standard Insurance Company

2009-262R City of El Paso 2009 EMPLOYEE SUPPLEMENTAL Benefits

SECTION B, PAGE: 1

- All vendors must be HIPAA compliant when required and willing to enter into a Business Associate Agreement with the City. Please include a sample of your Business Associate Agreement. The City will work with the successful vendor's BAA to finalize the agreement.
 - All rates and fees quoted should **exclude commission payments**.
 - Renewal rates must be provided at least 90 days before renewal date.
 - The successful vendor must provide 90 days notice before cancellation of the contract and the City must provide 30 days notice.
 - The successful vendor must provide an onsite representative to handle employee issues regarding all voluntary products at no additional cost to the City.

Noted

Administration Materials

Claim and enrollment forms, provider directories, survey forms, postage and other administrative materials to be prepared by administrator, with cost included in quoted fee are to be provided.

Noted

Contract Situs

Texas

Noted

Contract

The City of El Paso will work with the successful vendor's standard contract form and will be used as the basis of any negotiations. The City will review the contract and has the right to the final wording. The successful vendor(s) will be expected to agree to a contract in form and substance satisfactory to the City of El Paso and its counsel.

Noted

ATTACHMENT 2

NOTED

III. Proposal Questionnaire

Note: Every proposal should include responses to the General/Implementation Questionnaire.

General/Implementation

1. Where is your primary place of business? Please provide primary and secondary name and contact information of responsible person for questions concerning this proposal. Describe the account management services and team that will be responsible for the City account.

Standard Insurance Company (Home Office)
920 SW Sixth Avenue
Portland, Oregon 97204

Mitch McCauley, Employee Benefit Consultant
Derek Jones, Account Manager
2745 North Dallas Parkway
Suite 400
Plano, Tx 75093
(972) 943-1615
(800) 727-7112
(972) 943-1617

Please see attached team chart and biographies for your designated service team in Section 1 of our proposal.

2. Is your organization affiliated with another company? If so, describe the "affiliate relationship".

BIDDER'S [COMPANY] NAME Standard Insurance Company

2009-262R City of El Paso 2009 EMPLOYEE SUPPLEMENTAL Benefits

SECTION B, PAGE: 3

Standard Insurance Company became a publicly traded company in April of 1999. The Standard formed StanCorp Financial Group, a holding company, because of this transition. The Standard Insurance Company is now a subsidiary of StanCorp Financial Group.

3. The City of El Paso is a partner with the community and is in part funded by local tax payers. In an effort to support the community please respond to the following:

- A. Does your organization currently do business with any entities in El Paso? If so, please list those entities and the length of time you have been doing business with them.

Yes, The Standard does insure groups in El Paso, as well as other parts of Texas. Our current number of contracts and premium are listed below:

	ANNUAL PREMIUM	# CONTRACTS (STD, LTD & LIFE)
EL PASO	\$1,246,968	62
REST OF TEXAS	\$121,904,929	2,452

We have been providing group insurance products to Texas companies since 1984.

- B. What is your annual gross revenue from El Paso based business? Please indicate by checking the appropriate box below:

Less than \$100,000	
\$100,000 - \$500,000	
\$500,001 - \$1,000,000	
\$1,000,001 - \$2,000,000	X
Greater than \$2,000,000	

For 2008, our annual premium from El Paso based business was \$1,246,968.

- C. Does your organization employ any individuals locally? If so, how many? How long have you had operations in El Paso?

The Standard has three Employee Sales and Service offices in the state of Texas. The offices are located in Dallas, San Antonio and Houston. Each of these offices contains personnel dedicated to providing excellent customer service to all of our policyholders in Texas. The three offices contain approximately 33 employees.

4. How many clients do you have as of March 1, 2009? How many of these clients are public entities? What is the total number of employee lives represented by your client base?

As of March 31, 2009, we have over 16,000 Life policies in force (4,206,218 lives). Of these policyholders, 3,488 are public groups with Life coverage.

5. Who is your largest client? How many employee lives does this client have?

Our largest client is headquartered in the state of Colorado. As a courtesy to this client, we prefer to keep their name confidential. This client currently has a total of 194,476 lives.

6. Who is your second largest client? How many employee lives does this client have?

BIDDER'S [COMPANY] NAME Standard Insurance Company

2009-262R City of El Paso 2009 EMPLOYEE SUPPLEMENTAL Benefits

SECTION B, PAGE 4

Our second largest client is a state government. As a courtesy to this client, we prefer to keep their name confidential. This public employer/client currently has a total of 177,068 lives.

7. Please list the name, contact and telephone number of three current clients who have a population size comparable to that of the City of El Paso as well as one client lost during the last three years. May these clients be contacted for references? Please include at least one Public Sector entity as a reference.

As a courtesy to our current and future customers, The Standard does not release the requested information. Upon being selected as a finalist, we would be willing to contact some of our policyholders for permission to provide you with contact information. If this does not satisfy your need we would be happy to discuss in more detail the information you are requesting.

8. Does your organization have a disaster recovery plan in writing and available for clients in case of fire, flood or system failure? Please describe.

Yes, The Standard provides disaster recovery protection for their Data Center services. This is done through a contracted "hot site" agreement with a Recovery Services vendor. The recovery and backup location that Standard uses is located in Boulder, Colorado. This is a state of the art recovery center with complete emergency provisioning for power, HVAC, telecommunications, computer hardware and workspace. In addition, Standard maintains a local emergency center "shell space" about 20 miles west of Portland, Oregon. This workspace is provisioned with a desktop, office equipment and supplies to support local recovery for business units.

Information will be distributed to clients if needed, but the average recovery time is three hours.

9. Does your organization have hardened facilities to protect sensitive computer systems? Please describe.

The Standard maintains a resilient data center in a secure location within our corporate head quarters "Class A" office building in Portland Oregon. Access to the data center is controlled by access cards and magnetic locks. A dedicated emergency generator provides back up electrical power to the data center including the cooling equipment. Telecom and network services are provided by multiple network service providers to the data center via multiple entry points.

In addition, all computer data needed to recover business processes and customer information is backed up and stored at a local, fully protected and secure data storage site managed by a nationally recognized storage vendor on a daily basis. A remote backup disaster recovery capability is maintained via a nationally recognized disaster recovery company's facility located in Boulder Colorado. We exercise our business recovery plans, employees, and vendors on a regular basis.

10. Please provide a copy of your most recent audited annual report or financial statement.

Please see Section 5 for our most recent financial statement.

11. Provide your rating for the past two years by the following firms:

- Standard and Poors
- A.M. Best
- Moody's

AM Best	A	May 2008
Standard & Poor's	AA-	August 2008
Moody's	A1	November 2008

Our ratings have been stable for the past several years.

12. The City currently has an onsite representative to handle employee issues regarding all voluntary products and will continue to require such onsite representative. The cost impact should be included in the fees quoted. Would you be able to provide such representation?

No.

13. Will your representative be able to participate in open enrollment and new employee orientation meetings? (Open enrollment meetings will be conducted in October. New employee orientation meetings are conducted twice a month.)

Yes, we welcome the opportunity to assist The City with orientation meetings as needed.

The City of El Paso will be serviced by a dedicated National Accounts Management Team. The team members are led by your dedicated National Accounts Consultant, Jennifer Stacy, who acts as a client advocate and works closely with the local sales and service office to meet and exceed your expectations.

Local Employee Benefits Sales & Service Office:

Standard Insurance Company
2805 North Dallas Parkway
Suite 440
Plano, TX 75093
(972) 943-1615
(800) 727-7112
(972) 943-1617 FAX

The activities performed at our local Employee Benefits Sales & Service Office include assistance with enrollment and implementation, as well as general service and contract issues. This office will be your primary contact for new employee orientation meetings, led by both Jennifer Stacy (Portland) and Derek Jones (Dallas).

14. Each successful bidder must provide a sufficient number of representations to properly enroll all eligible employees who wish to enroll during the initial open enrollment period and at each annual open enrollment period. Please indicate your agreement.

The Standard wants our policyholders to experience a smooth and comfortable transition and The City of El Paso's dedicated National Accounts management team will manage every aspect of the implementation process from start to finish.

As an Implementation Analyst will manage every aspect of the initial enrollment period as well as work with other National Accounts team members to create custom enrollment materials, deliver contracts and certificates, clarify claims processes, assist with benefit design, help with payroll administration and verify your reporting and billing requirements.

We have provided a Sample Implementation Timeline outlining the required steps, including estimated dates, to complete the transition as described. During the initial implementation meeting we'll conduct a discovery process to unearth any outstanding items not already recorded in our timeline and adjust dates and dependencies as appropriate. Early notification would allow The City additional flexibility in turnaround times for contract draft revisions, claim form review, and certificate approval and distribution.

Additionally, after the effective, date implementation resources will finalize implementation tasks, ensuring accurate premium billing, training on e-services, and smooth claims administration and reporting.

The City will also have the support needed during annual open enrollment periods. Local representatives from our Dallas, Texas office will be available to answer questions as well as staff open enrollment meetings.

Please find our Sample Implementation Timeline in Section 2.

15. Describe your organization's capabilities with respect to providing communications in Spanish. Will you prepare the Summary Plan Description or Benefits booklet in English and Spanish? What other materials are available in Spanish?

We use AT&T Language Services for verbal communication. AT&T offers interpretation for 140 languages, including relay services. The Standard also has several employees who speak a variety of languages and are available for interpretation services. Written communication is coordinated with Bruce International.

At this time, we do not provide Summary Plan Descriptions in Spanish.

16. From what location will claims be paid? Is this the same location where customer service inquiries will be handled? Describe your claims payment process from date of service to claim payment.

All claims are managed and paid from the Employee Benefits Department located in our home office in Portland, Oregon. Benefits Analysts, medical and vocational resources, professional consultants and tax, system, and reporting specialists are all housed in the same department, and have ready access to our underwriting, actuarial, and legal departments.

Our Home Office is located at:

Standard Insurance Company
Employee Benefits Department, C9A
900 SW Fifth Avenue
Portland, OR 97204

Life Benefits Department:
(800) 628-8600
(503) 321-6808 FAX

In order to meet the needs of our customers nationwide, our service hours are 7:00 a.m. to 5:00 p.m. Pacific Time.

Life Claim process

The claim forms and all supporting documentation (copy of certified death certificate, enrollment form and any beneficiary change forms, newspaper articles, police reports, etc.) are received by The Standard. A Staff Assistant reviews the claim for completeness and then sets up the claim file and assigns it to the Life Benefits Processor or Life Benefits Analyst or Senior Analyst who will manage the claim, depending on the complexity of the claim.

The Analyst reviews the claim file and will make a determination if all required information is present. Such a "clean" claim can generally be analyzed and adjudicated within seven working days. If additional information is needed, a written request is sent and the file is pended for follow-up. Follow-up letters are sent every 15 days.

Once a claim determination has been reached, the decision is communicated promptly and in writing to the Policyholder and Beneficiary(ies). Benefits are paid via lump-sum check; or Standard Secure Access (SSA) checkbook for amounts over \$25,000; or installments. Checks are prepared the day after a decision is made, and sent to the Policyholder, (or directly to the beneficiary if requested by the Policyholder) via regular mail. If being paid by SSA, the checkbook is prepared and mailed to the Beneficiary via regular mail. Installments are rarely used but an annuity can be set up to provide this option.

17. Describe the process when an employee calls to discuss a claim. To whom will the employee be directed? What is the average response time for claim inquiries and customer service calls? How is response time measured? Do you have Spanish speaking customer service capabilities?

Calls received in our Life Benefits Department are answered by Life Benefit Processors in a Customer Call Center. Claim assistance is delivered in a timely, courteous and professional manner. Our claims system allows the Life Processor to have immediately access to claim information, allowing them to respond quickly to customers' needs.

If the Call Center staff is not able to answer an inquiry, they will forward the call to a Life Benefits Examiner. Life Examiners establish relationships with claimants throughout the claim process as well as educating claimants on policy provisions under which they are covered.

Our Life Benefits Department service hours are 7:00 a.m. to 5:00 p.m. Pacific Time. Calls received after regular business hours will be returned within four hours the next business day. Claimants may contact the Life Benefits Department toll-free at (800) 628-8600.

In addition, we have interactive voice response (IVR) capabilities. All calls come in through our toll free Integrated Voice Response (IVR) system. This system allows employees to access their claim information 24 hours a day, seven days a week. It provides information on LTD and STD claim status, the date last benefit payment was issued and amount, and fax number and address for claim form submission. During normal business hours, Monday through Friday, 7a.m. - 5p.m. Pacific Time, Customer Service Benefits Examiners (CSBE) are easily accessible through the system if the caller would like to speak with someone directly. Our contact center is staffed with experienced CSBEs who have the ability to review claim information for completeness and make claim determinations as appropriate at this first point of contact. The enhanced disability customer contact center provides current claim information while enabling CSBE to give prompt, personalized service when it is needed. If the caller leaves a message after hours or on the weekend, a CSBE will respond to the call the following business day. To ensure excellent, timely service it is our policy to return any voicemail messages within four business hours.

We use AT&T Language Services for verbal communication. AT&T offers interpretation for 140 languages, including relay services. The Standard also has several employees who speak a variety of languages and are available for interpretation services.

18. Provide a sample of all Standard communication material that will be provided to the City of El Paso for annual enrollment and use throughout the year.

ENROLLMENT STRATEGY:

The Standard provides a full range of enrollment services and we can create a customized marketing and enrollment strategy for the City of El Paso's Life and Disability Insurance Program. The proposed strategy for The City's plan is to develop an array of personalized informational and enrollment tools using a combination of direct mailings and technology based services such as:

Customized pre-communication and enrollment materials targeted to employees

- Announcement and Endorsement letters
- Posters, payroll stuffers, and training materials

Personalized Enrollment Form System

- Paper forms customized with the employee's individual plan benefit and premium information
- Customized Online and Interactive Voice Response (IVR) Enrollment system

Utilizing these services we are confident employees will be able to make an informed benefit purchase decision.

Sample communication materials have been provided for your review. These materials include informational brochures designed to educate and inform your employees of the coverage offered. We are able to customize these materials to the City's specific plan designs, population and needs. Please find the sample materials in Section 5.

Normal costs for enrollment, communication and implementation materials are included.

Please see sample communication materials located in Section 5.

19. What services are available on-line to:

- a. City of El Paso Benefit Staff for management of the Plan

To assist you in managing your employee benefits program, we offer our secure, online AdminEASE plan administration tools available at adminease.standard.com. The services are customized to the group insurance products purchased with The Standard.

The AdminEASE Advantage:

- Reduce paperwork, increase the security of your data, and speed up plan administration from initiating claims to distributing forms
- Access contract and policy documents, view historical billing statements, billing and payment information, get administrative forms and download reports
- Control user access privileges to subscribed services
- Reference a complete how-to guide for administering your plan online
- Contact us directly via secured email for claim, billing or other questions
- Ease-of-use with intuitive site layout, navigation and tools with Online Help accessible from any page

Billing

- Access current premium details and billing statement by billing division
- View up to 24 months of historical billing and payment information
- Select a particular due date to view detailed billing information by coverage

Claims Management

- Evaluate Life claim trends and expenses with quarterly case management reports
- Download claim data for further analysis

Medical Evidence

- Monitor and track the status of medical evidence applications
- Download details on insurance coverage approvals and benefit amount
- Provide employees a tool with step-by-step instructions for quick and easy completion of state-specific Evidence of Insurability applications

Contract Documents

- Get fast access to group policies, certificates, amendments and notices
- Print, e-mail or post group certificates to company intranet

Forms

- Access a library of customized administrative and claim forms specific to an employer's coverage and provide links for employee to fill out form online and print

- Order paper forms using the convenient online order form

Plan Administration Guide

Detailed instructions on how to handle:

- Eligibility and enrollment
- Changes, terminations and reinstatements
- Certificates, notices and id cards
- Billing administration
- Benefits administration

Daily Reports

- Life claim status
- Life payment detail
- Life expanded claim detail
- Waiver claim detail
- Life diagnosis summary

Customized Online and IVR Enrollment

- Allows employees to complete the benefits enrollment at their convenience during the open enrollment period
- Offers employees an interactive process, immediate verification of benefit elections and costs, and ability to change selections throughout the enrollment period
- Provides daily management reports for monitoring and measuring the success of the enrollment
- Leaves management of the open enrollment process to The Standard

Member Eligibility Electronic Claim Service

- Replaces the need for the employer to submit member information for a claim
- Electronically supply The Standard with member eligibility data using custom flat file format or the ASCX12 format (834 Benefits and Enrollment data, version 4010 transaction set)
- Frequency of data transmission determined by the employer – can send up to four files a month

Custom Co-branded Micro Site

- Designed, developed and maintained by The Standard to meet the specific needs as defined by the employer
- Targeted audience for benefits administrators, members or both
- May include product information and need for coverage (life/disability), plan specific premium calculators, access to customized administrative and employee forms, certificates by coverage

- b. City of El Paso employees enrolled in the plan for customer service.

At this time, The Standard offers online claim form submission for employers only.

20. An administration requirement is that you accept an eligibility file from City's People Soft program and allow the City to self-bill premiums. Please indicate your agreement.

Agreed:

21. Please provide a detailed transition/implementation plan for a January 1, 2010 effective date. Identify tasks, responsibility (City or Vendor) and target dates.

Please see attached implementation timeline.

22. The City requires a schedule of benefits that can be posted on their intranet. Please include a sample schedule of benefits that you would provide.

The Standard can provide benefits at a glance brochure to be posted to The City's website. Please see attached communication materials for a sample.

23. Do you agree to a no-loss/no-gain takeover on all benefits?

Standard's contract includes a Continuity Of Coverage provision to ensure that no employee will lose coverage as a result of a change in carriers. An employee can become insured under Standard's plan without meeting the Active Work Requirement; however, benefits payable for a period of continuous disability beginning before the Active Work Requirement is met will be paid under the terms of the Prior Plan.

Employees who became disabled prior to the effective date of Standard's plan would be the responsibility of the prior carrier.

The Standard's policies have an Active Work Requirement ("AWR") that requires employees to be capable of active work on the day before the effective date of our takeover coverage. This protects employees insured under the prior plan who were not disabled when the prior plan terminated, but subsequently became disabled on or after the effective date of our policy but before their next scheduled work day. They would meet our AWR and, provided they met the Member definition, would become insured on the effective date of our policy. For example, an employee on vacation but capable of work would be covered under The Standard's policy on the effective date.

Regarding employees on sick leave, family medical leave or an approved level of absence, they would be covered under our policy provided the following condition is met: the employee is on a leave of absence or family medical leave and remains continuously insured under the prior plan and capable of active work up through the day before the effective date of our policy. If the absence was due to the employee's own illness or injury, coverage is delayed if the employee was disabled prior to the effective date of our policy and will be the responsibility of the prior carrier.

24. All plans must include Domestic Partner coverage. What documentation or information do you require for Domestic Partner qualification?

We only require the language used by the city to determine qualification.

25. Please include a sample contract.

Please see sample contract located in Section 5.

Basic Life Insurance, AD&D, and Supplemental Life Insurance

Basic Life and AD&D

The City of El Paso currently covers all eligible non-uniformed employees with \$50,000 Basic Life and AD&D and all eligible uniformed employees with \$15,000 Basic Life and AD&D. Each eligible spouse is covered with \$2,000 Basic Life and children with \$1,000. Premiums are paid by the City. Please provide a rate quote based on duplication of this design plus an additional quote based on the following alternative designs (see Pricing Schedule in Exhibits Section):

Basic Life - Alternative Design

1. Executives (Dept. Heads and Above) \$250,000
2. All other Eligible Non-Uniformed Employees \$50,000
3. All other Eligible Uniformed Employees \$15,000

Supplemental Coverage

Each employee can purchase up to \$200,000 Supplemental Coverage. The first \$100,000 is guaranteed issue. For Supplemental Dependent Coverage, each employee can purchase up to \$100,000 for Spouse and \$10,000 for

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children. Plan description, rates, claim experience, and employee census information can be found in the Exhibit Section. In your proposal, please describe your maximum volume offered expressed as a multiple of salary with units to be purchased in multiples of \$10,000.

Life Questionnaire

1. Confirm that you will waive any actively at work provisions during the takeover for both the Basic and Supplemental Life programs.

The Standard's policies have an Active Work Requirement ("AWR") that requires employees to be capable of active work on the day before the effective date of our takeover coverage. This protects employees insured under the prior plan who were not disabled when the prior plan terminated, but subsequently became disabled on or after the effective date of our policy but before their next scheduled work day. They would meet our AWR and, provided they met the Member definition, would become insured on the effective date of our policy. For example, an employee on vacation but capable of work would be covered under The Standard's policy on the effective date.

Regarding employees on sick leave, family medical leave or an approved level of absence, they would be covered under our policy provided the following condition is met: the employee is on a leave of absence or family medical leave and remains continuously insured under the prior plan and capable of active work up through the day before the effective date of our policy. If the absence was due to the employee's own illness or injury, coverage is delayed if the employee was disabled prior to the effective date of our policy and will be the responsibility of the prior carrier.

2. Please detail your definition of "Actively at Work". Under what conditions will coverage cease?

The Standard's Actively At Work provisions reads as follows:

If you are incapable of Active Work because of Sickness, Injury or Pregnancy on the day before the scheduled effective date of your insurance or an increase in your insurance, your insurance or increase will not become effective until the day after you complete one full day of Active Work as an eligible Member. Active Work and Actively At Work mean performing the material duties of your own occupation at your Employer's usual place of business.

You will also meet the Active Work requirement if:

1. You were absent from Active Work because of a regularly scheduled day off, holiday, or vacation day;
2. You were Actively At Work on your last scheduled work day before the date of your absence; and
3. You were capable of Active Work on the day before the scheduled effective date of your insurance or increase in your insurance.

Life Insurance ends automatically on the earliest of:

1. The date the last period ends for which you made a premium contribution, if your insurance is Contributory;
2. The date the Group Policy terminates;
3. The date your employment terminates; and
4. The date you cease to be a Member. However, if you cease to be a Member because you are working less than the required minimum number of hours, your Life Insurance will be continued with premium payment during the following periods, unless it ends under 1 through 3 above:

- a. While your Employer is paying you at least the same Annual Earnings paid to you immediately before you ceased to be a Member.
- b. While your ability to work is limited because of Sickness, Injury, or Pregnancy.

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c. During the first 60 days of:

- (1) A temporary layoff; or
- (2) A strike, lockout, or other general work stoppage caused by a labor dispute between your collective bargaining unit and your Employer.

d. During a leave of absence if continuation of your insurance under the Group Policy is required by a state-mandated family or medical leave act or law.

e. During any other scheduled leave of absence approved by your Employer in advance and in writing and lasting not more than the period shown in the Coverage Features.

3. Confirm that you will take over all existing supplemental life insurance volumes for employees and their dependents without evidence of insurability.

Confirmed

4. Will you offer a one time special open enrollment opportunity offering guarantee issue without evidence of insurability to all eligible applicants?

Yes.

5. Please detail any minimum participation requirements for the life and dependent life benefit plans.

The minimum participation required for voluntary coverages is 25%.

6. What is the guaranteed issue amount for life insurance? What evidence of insurability is required? What is your turnaround for the EOI process?

The guaranteed issue amount for voluntary life insurance is \$200,000.

7. Please provide the conversion charge for life insurance. If any, what products are available for conversion, and under what conditions can the policy be converted?

Conversion Charges are age graded to provide adequate charge for the potentially impaired risks being converted. They are computed on a per \$1,000 converted basis. Basic and Additional Life Insurance are available for conversion.

The charge per \$1,000 of converted life volume is:

AGE	RATE/\$1,000
	00
Under age 35	\$ 25
35 - 44	50
45 - 54	120
55 - 64	225
Age 65 & over	410

8. Do the life rates include waiver of premiums for disabled employees?

Yes.

9. Confirm that actives who have coverage can continue to remain eligible on a contributory basis once retired.

Confirmed

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ATTACHMENT 3



Service and Administration

Performance Guarantee

Our Promise of Superior Service

When you choose Standard Insurance Company for your group insurance coverage, you can be assured that we will provide you with outstanding service. We aim to build long-term relationships by keeping our promises and earning your trust. And the results are clear. Our first group policyholder, who chose The Standard more than 50 years ago, remains a customer today. But we do more than give you our word that you'll be satisfied. We guarantee it. Our Performance Guarantee Program assures you that we will make every effort to meet your overall expectations for service. If ever we don't meet those expectations, we will refund 5 percent of the previous quarter's expenses, excluding commissions and premium tax. It's that simple, and another promise that you can count on us to keep.

Features and Benefits

- The Performance Guarantee Program is automatically offered to group policyholders with 1,000 or more insured employees.
- Policyholders decide what aspects of service are most important to them and rate their satisfaction on these criteria.
- Policyholders can participate in annual surveys to rate their satisfaction with our service.
- Continual interaction with policyholders enables us to understand their expectations and assure we are meeting them.
- The program provides a direct line of communication to ensure quality service and results.

We set The Standard for great service—guaranteed.

AdminEASESM

AdminEASESM online plan administration tools allow you to conveniently manage your Standard

Insurance Company employee benefit plans. You can add coverage for new employees, change coverage amounts, file and monitor claims, view payment details and more. Everything you need to manage your plan is online, secure and available anytime.

Fast, Easy, Secure, Online Save Time, Work Smarter

Managing employee benefit plans can be time-consuming — regardless of your company size. AdminEASE plan administration tools reduce paperwork, filing and storing stacks of insurance forms. Now you don't have to worry about losing sensitive information or waiting for the mail.

You'll have plan administration at your fingertips with secure, easy-to-use online tools.

Convenient and simple, AdminEASE plan administration tools let you

- Change coverage amounts, calculate premiums
- Add employees, update profiles
- View recent billing and payment details
- Initiate and monitor claims
- Track medical history application status
- Download forms and certificates

Online Plan Administration Tools Streamline benefit plan management

Billing Administration

View 24 months of billing and payment history and access current premium details and information by billing division. Easily update member data online.

Reports Online

Benefit managers have ready access to disability claim status, payment and experience data. Quickly confirm when benefits have been issued.

Employer Claim Submission

The most reliable and secure way to initiate the disability claims process. Complete and submit employer claim forms electronically and distribute claim forms to employees via e-mail or the intranet.

Contract Documents

Fast, easy and secure access to group policies, certificates, amendments and notices. Simply print, e-mail or post group certificates to the intranet.

**Forms**

Web access to the group insurance forms you need — anytime. Fill out and print online forms.

Evidence Reporting

Keep up-to-date on the status of employee insurance applications online. It's the most convenient and secure way to monitor applications that require medical underwriting.

E-Services Administration

Allows benefit managers to control who can access AdminEASE services.

Group Insurance Plan Administration Guide

A complete how-to guide for administering your plan online.

Industry References

A centrally located reference library that delivers timely information about insurance issues that matter to employers and benefit managers.

The Standard delivers technology that saves time and simplifies employee benefits plan management.

Go to <http://adminease.standard.com> and start making your life easier.

Online Enrollment Tool**Enrollment and Administration Made Easy**

Conducting enrollments and administering benefit plans can be a burden for many employers. Standard Insurance Company offers a solution: a secure, flexible, web-based tool that streamlines the enrollment process. To make the process as easy as possible, The Standard handles the initial setup and creates a tailored enrollment process for each employee based on individual eligibility. Employers can use the tool's robust billing and reporting options to get the information they need in real time.

Convenient, efficient enrollment administration

The streamlined enrollment tool allows employers to:

- Manage annual and new hire enrollments as well as ongoing changes due to life-change events
- Access and download detailed information for billing and payroll deductions
- Run real-time reports to track open enrollment progress, updates to employee coverage and premium, medical evidence decisions and more
- View current and historical eligibility and enrollment information

Personalized employee enrollment experience

The system guides employees through the online enrollment process, allowing them to:

- Enroll, make life-change updates and manage beneficiaries
- View only the benefit plan options available to them
- Use comparison tools to help make informed decisions
- Complete evidence of insurability electronically

- Call a multilingual call center during enrollment periods

Electronic Evidence of Insurability

Save time: Provide Medical History Statements online

Standard Insurance Company's Medical History Statement web form is designed to make employee submission of medical evidence as easy as possible. The online application presents a series of questions about demographics, employment and medical history, then automatically transfers the answers to a Medical History Statement. Users may view, print or save a copy for their records using the free Adobe® Reader®.

Employees can save themselves from possible delays due to returned paper forms by submitting online with the Medical History Statement Web form. The online application guides the employee through the process by gathering the necessary information and populating the form prior to submission. This ensures that the information submitted is complete, allowing The Standard to begin the underwriting process immediately. The web form is secure, confidential, fast and efficient. Employees who submit their Medical History Statement via the web get faster decisions—sometimes by as much as a week.

The advantages are clear:

- Employees can submit forms immediately. Speed and accuracy increase.
- Employers save time, conserve human resources and control costs when the process is automated rather than paper-bound.
- Employers can easily access information about the status of medical evidence applications through AdminEASESM.

Trust your data to The Standard

Our Medical History Statement web form is protected by encryption technology to ensure confidentiality. Only those who process the application have access to the information, further ensuring privacy and security.

Note: Users in states that do not support e-signatures (Florida, Kentucky, Massachusetts, New York and Virginia) can use the system to complete their Medical History Statement, but are required to print the form and mail it to The Standard.

Evidence Reporting Tool

Securely monitor insurance applications online

Keep up-to-date on the status of employee insurance applications with the online Evidence Reporting feature. Available to all of Standard Insurance Company's group disability and life insurance customers through AdminEASESM plan administration tools, the Evidence Reporting feature is a convenient way to monitor applications that require medical underwriting.

Evidence Reporting details coverage amounts for approved employees and allows employers to view the status of applications to determine whether they have been approved, declined or are still pending. Employers get an on-demand summary of applications that were submitted during the last six months and can download these reports to a spreadsheet.

Features and Benefits

- Enables Benefit Managers to view each applicant's name and application date to verify receipt by The Standard.
- Supports tracking the status of applications to determine whether they have been approved, declined or are still pending.
- Allows Benefit Managers to monitor approved coverage amounts.
- Permits downloading of information about applications to a spreadsheet for future reference.

Access the AdminEASE plan administration tools demonstration at adminease.standard.com.

ATTACHMENT 4

The Standard[®]
Positively different.

Group Life Insurance

Help Protect Loved Ones from Financial Hardship



Your Proposed Group Life Insurance Plan

Standard Insurance Company appreciates the opportunity to provide you with a proposal for Group Life insurance. This booklet and the Employee Benefits Proposal together outline the basic features of your proposed insurance plan. These documents are not a contract.

Establishing Group Life insurance coverage with The Standard requires your completed, signed application for group insurance and our acceptance of it. When we approve your application, we will issue you a *group policy* containing our customary language. It will not duplicate the language of any existing policies you may have.

Your *group policy* with The Standard will contain provisions, exclusions, limitations and defined terms not described in this booklet or the Employee Benefits Proposal. When used in this booklet, defined terms and provisions from the *group policy* will appear italicized. If any discrepancies exist between the *group policy*, the Employee Benefits Proposal and this booklet, your *group policy* will control.

Your *group policy* will become effective on the date determined by The Standard, which will be clearly stated on your policy. We will also supply you with certificates of insurance, describing the coverage in detail, for you to deliver to your insured employees.

The proposed premium rate and plan design for your Group Life coverage, Voluntary Life, Additional Life, Accidental Death and Dismemberment (AD&D), Supplemental Life and Dependents Life coverage if selected, are based on the underwriting data received. We will determine final premium rates and plan provisions on the basis of state law, *policyholder* contributions, confirmation of occupations, the actual composition of the group of employees who become insured and our current underwriting rules and practices. This proposal will expire on the date shown in the Employee Benefits Proposal.

Thank you for considering The Standard for your group term life insurance needs. Should you have any questions or need additional information, please contact your insurance advisor or the Employee Benefits Sales and Service Office for your area.

Group Life Insurance

The Foundation of an Employee Benefits Program

As the foundation of an employee benefits program, Group Life insurance from Standard Insurance Company offers you the opportunity to help protect your employees and their families from financial hardship in the event of death. It includes competitive features, a variety of plan designs and family-friendly provisions. Benefit schedules may be based on uniform amounts, multiples of salary or employee classifications.

To help provide additional financial security, you may combine Group Life insurance with Accidental Death and Dismemberment (AD&D), Supplemental Life and Dependents Life insurance. The Standard also offers *contributory* plans, Voluntary Life and Additional Life, as cost-effective alternatives to meet the needs of both *employers* and employees.

Group Life Insurance Features

Accelerated Benefit

No one plans to have a terminal illness. However, in the event that an employee experiences the unexpected, the *Accelerated Benefit* from The Standard can help ease financial concerns in the face of adversity.

The Standard typically includes the *Accelerated Benefit* with all Group Life insurance policies that contain a *Waiver of Premium* provision. With this benefit, eligible employees suffering from terminal illnesses may receive an early payout of a portion of their *life insurance benefit*.

Employees may receive up to 75 percent of their *life insurance benefit*, but not more than \$500,000, in a one-time lump sum payment. The minimum *Accelerated Benefit* amount is \$5,000 or 10 percent of an insured employee's *life insurance benefit*, whichever is greater.

To qualify for the *Accelerated Benefit*, an eligible employee must qualify for *Waiver of Premium* and provide satisfactory proof of a *qualifying medical condition* that is reasonably expected to result in death



within 12 months. If *Waiver of Premium* terminates at a given age, application for the *Accelerated Benefit* must be made at least 24 months before reaching that age.

After the payment of the *Accelerated Benefit*, the remaining *life insurance benefits* are subject to interest charges. A minimum of 10 percent of the life insurance coverage will be paid to the *beneficiary* even if interest charges on the accelerated amount would have exhausted the remaining benefits over time. If insured employees assign their rights under the Group Life insurance policy, the 10 percent minimum benefit will not apply.

Eligible employees may use the money to help maintain their quality of life during an emotionally and financially difficult situation. An *Accelerated Benefit* may be taxable, however, and its receipt may affect eligibility for public assistance programs.

Waiver of Premium

With the *Waiver of Premium* benefit, eligible employees may be able to continue their Group Life, Additional Life, Supplemental Life and any Dependents Life insurance without payment of premium if they become *totally disabled*. The amount of insurance continued under the *Waiver of Premium* provision corresponds to the Group Life, Additional Life, Supplemental Life and Dependents Life insurance schedules, including reductions.

Typically, to qualify for *Waiver of Premium*, an insured employee must become *totally disabled* before age 60 and must remain *totally disabled* for at least 180 consecutive days. Insurance coverage continues without premium payment as long as the eligible employee remains *totally disabled* and meets applicable age requirements. Satisfactory proof of *total disability* must be periodically submitted to The Standard. AD&D coverage, if any, may not be continued under this provision.

Portability of Insurance

Portability of Insurance provides a convenient group life insurance option for eligible employees when their employment terminates. Depending upon state requirements, your plan may include one of the following provisions.¹

Provision to Buy Group Life Portability Insurance (True Portability Option)²

Where available, this *Portability of Insurance* provision is automatically included at no additional cost in all new Group Life insurance plans offered by The Standard, including those with AD&D or Dependents Life insurance. This provision offers eligible employees the option to purchase up to the amount of Group Life insurance coverage in force under the *group policy*, subject to minimum and maximum amounts, without submitting *evidence of insurability*. If approved, portable group life insurance amounts will remain in force as long as premiums are paid, regardless of whether the Group Life insurance plan with The Standard terminates. The portable group life coverage will not terminate due to age, but it is subject to age reductions. Any AD&D coverage purchased with portable group life insurance will terminate at age 65.

To be eligible for this coverage, on the date employment terminates, employees must:³

- Be under age 65
- Have been continuously insured under the *group policy* or the *prior plan* for at least 12 consecutive months
- Be able to perform with reasonable continuity the material duties of at least one gainful occupation for which they are reasonably fitted by education, training and experience

Provision to Continue Coverage (24-month Portability Option)⁴

Where available, the *Portability of Insurance* provision allows eligible employees to apply to continue qualifying amounts of Group Life insurance, subject to minimum and maximum amounts, without submitting *evidence of insurability*. The coverage that may be continued must have been in effect for at least 12 consecutive months on the date employment terminates. If approved, coverage may be continued for a maximum of 24 months, provided premiums are paid.

To be eligible for this coverage, on the date employment terminates, employees must:

- Have been continuously insured under the *group policy* or the *prior plan* for at least 12 consecutive months
- Not be terminating employment due to retirement
- Be able to perform with reasonable continuity the material duties of at least one gainful occupation for which they are reasonably fitted by education, training and experience

AD&D insurance and coverage continued under *Waiver of Premium* may not be continued under this provision.

Coverage under this provision terminates if the former employee becomes insured under another group life insurance plan, your Group Life insurance plan with The Standard terminates or the former employee fails to pay premiums, whichever occurs first.

- 1 Please consult your Standard Insurance Company Employee Benefits Sales and Service representative regarding the available Portability of Insurance provision. Portability of Insurance is not available in all states.
- 2 Not available in Maine, Michigan, Minnesota, South Dakota, Vermont and Washington.
- 3 These eligibility requirements do not apply in Massachusetts.
- 4 Available only in Maine, Michigan, Minnesota, South Dakota, Vermont and Washington.



Conversion to Individual Life Insurance

The *Right to Convert* provision is another life insurance option for eligible employees if their Group Life insurance ends or is reduced for any reason other than failure to pay premiums. Under this provision, eligible employees have the right to convert their Group Life insurance, including any Additional Life, Supplemental Life and Dependents Life insurance, to certain types of individual life insurance policies without having to provide *evidence of insurability*. The employee must apply for conversion and pay the required premium within 31 days after group coverage ends or reduces. AD&D coverage may not be converted under this provision.

If Group Life insurance discontinues or reduces because of termination or an amendment of the *group policy*, eligible employees may convert the Group Life insurance that has been in effect for at least five years.⁵ The maximum amount which may be converted is the lesser of:

- The amount of Group Life insurance which ended, minus other group life insurance for which the employee is eligible, and
- The maximum conversion amount allowed by law as shown in the *group policy*.

⁵ May vary by state.

Repatriation Benefit

The Standard typically includes the *Repatriation Benefit* with every Group Life insurance policy. This provides an additional benefit to help pay for expenses associated with transportation of the body of an eligible deceased employee. If the place of death is more than 200 miles away from the employee's primary place of residence, The Standard will help pay to return the body to a mortuary near the home of the deceased. The Standard will reimburse actual expenses up to \$5,000 or 10 percent of the *life insurance benefit*, whichever is less.

MEDEX Travel Assist

MEDEX® Travel Assist gives employees an additional sense of security when they are traveling more than 100 miles from home or internationally. Automatically offered with all Group Life insurance policies, MEDEX Travel Assist helps employees respond to medical care situations and other emergencies while traveling.⁶

The full range of 24-hour medical, legal and travel assistance services available to insured employees include:⁷

- Pre-trip assistance including passport, visa, weather and currency exchange information, health hazards advice and inoculation requirements
- Medical assistance services including locating medical care providers and interpreter services
- Travel assistance services including emergency ticket, credit card and passport replacement, funds transfer assistance and missing baggage assistance
- Legal services including locating a local attorney, consular officer or bail bond services
- Emergency transportation services including emergency evacuation to the nearest adequate medical facility and medically-necessary repatriation
- Personal security services including evacuation and logistical arrangements in the event of political unrest, social instability, weather conditions, health or environmental hazards

⁶ Provided through an agreement with MEDEX® Assistance Corporation, an independent organization not affiliated with The Standard. MEDEX Travel Assist is not an insurance product.

⁷ Consult the employer certificate for complete terms, conditions and limitations.



Standard Secure Access

Life insurance proceeds for approved claims of \$25,000 or more are deposited into an interest-bearing checking account. The Standard Secure Access account is opened upon approval of a claim and immediately begins earning a competitive money market interest rate, compounded daily. The beneficiary receives a checkbook, from which drafts may be written for any purpose in amounts of \$250 or more. There are no service or maintenance fees or charges. Detailed monthly statements are provided to the beneficiary. Professional assistance and information is available through a toll-free customer service number.

Group Life Insurance Exclusion

This plan may include an exclusion for death resulting from suicide or other intentionally self-inflicted injury while sane or insane.⁸ If applicable, the amount payable will exclude amounts that have not been continuously in effect for at least two years on the date of death.

Group Life Insurance Reductions

Typically, insurance benefits are reduced to a percentage of the original amount based upon attainment of specified ages.

⁸ For Missouri and New Jersey residents, "insane" is not applicable.

Voluntary Life and Additional Life Insurance

Providing a competitive employee benefits package to attract and retain quality employees can be a challenging proposition for any employer. Double-digit increases in health care costs make this even more difficult, reducing a group's ability to exclusively provide and pay for a comprehensive benefits program.

Voluntary Life and Additional Life insurance from The Standard make it easier for *employers* to offer the insurance coverage that employees want at competitive group rates. With premiums typically paid by employees through payroll deduction, a Voluntary Life or Additional Life insurance plan provides employees with the opportunity to purchase insurance coverage to fit their personal needs while minimizing the impact on the employer's bottom line.

With Voluntary Life coverage, the *employer* sponsors the plan and may choose to have it partially or fully paid by employees. It allows employees to select and apply for an amount of group term life insurance to provide financial protection in the event of death.

With Additional Life coverage, the *employer* provides a basic amount of Group Life insurance to employees. The *employer* also sponsors the Additional Life plan that allows employees to apply and pay for an increased amount of group term life insurance beyond the basic Group Life coverage.

Voluntary Life and Additional Life Product Highlights

The Voluntary Life and Additional Life plans typically contain the same provisions and features as The Standard's Group Life insurance. These include *Accelerated Benefit, Waiver of Premium, Portability of Insurance, Right to Convert, Repatriation Benefit, Standard Secure Access* and *MEDEX Travel Assist*. In addition, *employers* may include AD&D and Dependents Life coverage with Voluntary Life or Additional Life plans.

Exclusions, limitations and reductions apply to Voluntary Life and Additional Life coverage.

Accidental Death and Dismemberment Insurance

Accidents can happen in many ways and at any time. *Employers* can help to financially protect their employees in the event of an unplanned loss of life, limb or sight with AD&D insurance from The Standard. With AD&D coverage, eligible employees and their *beneficiaries* may receive an additional amount in the event of accidental death or dismemberment, helping to restore financial balance when the unexpected happens.

Amounts Payable

The amount of the *AD&D insurance benefit* payable for a covered *loss* is a percentage of the *AD&D insurance benefit* in effect on the date of the accident, as shown below:

Life.....	100%
One hand or one foot	50%
Sight in one eye	50%
Two or more of the <i>losses</i> listed above	100%

At no time will more than 100 percent of the available *AD&D insurance benefit* be paid for all losses resulting from one accident.

With respect to a hand or foot, *loss* means the actual and permanent severance of the hand or foot from the body at or above the wrist or ankle joint. With respect to sight, *loss* means the entire, uncorrectable and irrecoverable loss of sight. The *loss* must be certified by a *physician* in the appropriate specialty as determined by The Standard.

Seat Belt Benefit

The Standard typically includes a *Seat Belt Benefit* with its AD&D coverage. If an insured employee dies as a result of an *automobile* accident while properly wearing and using a *seat belt system*, The Standard will pay a *Seat Belt Benefit* equal to the amount of the *AD&D insurance benefit* payable for the loss of life, up to a maximum of \$10,000.

Air Bag Benefit

To provide further protection to eligible employees who die as a result of an automobile accident for which a *Seat Belt Benefit* is payable, The Standard includes an *Air Bag Benefit* with its AD&D coverage. The Standard will pay an *Air Bag Benefit* equal to the amount of the *AD&D insurance benefit* payable for the loss of life, up to a maximum of \$5,000, if the following requirements are met at the time of the accident:

- The automobile is equipped with an *air bag system* installed as original equipment by the automobile manufacturer and the *air bag system* has received regularly scheduled maintenance or replacement as recommended by the manufacturer.
- The *air bag system* deploys, as evidenced by a police accident report.
- The insured individual was seated in the driver's or passenger's seat intended to be protected by the *air bag system*.

Line of Duty Benefit

The *Line of Duty Benefit* allows *public safety officers* to receive an additional benefit of \$50,000 or 100 percent of the *AD&D insurance benefit* otherwise payable for the *loss*, whichever is less, if they suffer a loss as the result of a *line of duty accident* for which *AD&D insurance benefits* are payable.

A *line of duty accident* means an accident that occurs while an insured *public safety officer* is taking any action authorized or required by rule, regulation, law or condition of employment as a *public safety officer*. This includes action taken in the course of controlling or reducing crime, criminal law enforcement or fire suppression, including such action taken in response to an emergency while off duty. For eligible firefighters and police, line of duty includes social, ceremonial or athletic functions to which the insured employees are assigned and for which they are paid as *public safety officers* by their employer.

Public safety officers include police officers, firefighters, corrections officers, judicial officers and officially recognized or designated volunteer firefighters.

Family Benefits Package

The Standard typically offers the Family Benefits Package of additional, family-oriented AD&D *insurance benefits* for no additional premium with all Group Life insurance policies that include AD&D coverage. The Family Benefits Package extends financial assistance to an insured employee's family members in the event of the employee's accidental death for which an *AD&D insurance benefit* is payable.

Higher Education Benefit

The plans for a child's higher education should not end with the death of a parent. The *Higher Education Benefit* helps to keep those dreams alive. To be eligible for this benefit, the surviving *child* must register and attend an institution of higher education on a full-time basis within 12 months after the insured employee's death. The benefit is paid annually for a maximum of four consecutive years beginning on the date of death. The benefit amount is the qualifying tuition expenses incurred per *child* within four years after the date of death, but not to exceed \$5,000 per year, or the cumulative total of \$20,000 or 25 percent of the *AD&D insurance benefit*, whichever is less.

Career Adjustment Benefit

A surviving *spouse* may need to make a career adjustment as a result of the insured employee's death. When this requires additional training, the *Career Adjustment Benefit* helps to make the transition easier. To be eligible for this benefit, within 36 months after the date of the employee's death, the surviving *spouse* must register and attend a professional or trade training program aimed at obtaining employment or increasing earnings. The benefit amount is the qualifying tuition expenses for training incurred by the surviving *spouse* within 36 months after the date of death, but not to exceed \$5,000 per year, or the cumulative total of \$10,000 or 25 percent of the *AD&D insurance benefit*, whichever is less.



Child Care Benefit

In order to work or obtain training, a surviving spouse may require the assistance of a caregiver to watch over young *children*. The *Child Care Benefit* is designed to help cover the cost of providing care for *children* under age 13. The amount of the benefit is the qualifying expenses incurred by the surviving *spouse* within 36 months after the date of the insured employee's death, but not to exceed \$5,000 per year, or the cumulative total of \$10,000 or 25 percent of the *AD&D insurance benefit*, whichever is less.

Expanded AD&D Package

Few people are prepared for the sudden financial loss brought about by an accidental death. Even fewer are ready for the potentially higher cost of living associated with an accident that might result in paralysis or deafness. The Expanded AD&D Package from The Standard provides *employers* with the option to help protect employees and their families with an extra layer of security against these unexpected events.

The Expanded AD&D Package includes an *Occupational Assault Benefit*, *Public Transportation Benefit* and additional definitions of loss.

Occupational Assault Benefit

The *Occupational Assault Benefit* provides an additional benefit if a *member* suffers a covered *loss* while *actively at work* and the *loss* is the result of an act of physical violence against the *member* that is punishable by law and evidenced by a police report. The amount of the benefit is \$25,000 or 50 percent of the *AD&D insurance benefit* that is paid, whichever is less.

Public Transportation Benefit

The *Public Transportation Benefit* is paid when an eligible employee dies as a result of an accident while riding as a fare-paying passenger on *public transportation*. The amount of the benefit is \$200,000 or 100 percent of the *AD&D insurance benefit*, whichever is less.

Additional Definitions of Loss

The Expanded AD&D Package includes coverage for a wider variety of accidental *losses* and conditions. The amount payable for these covered *losses* is equal to a percentage of the AD&D coverage in effect on the date of the accident, as shown below:

Life.	100%
<i>(if the insured employee disappears and the disappearance is caused solely and directly by an accident that could have reasonably resulted in death)⁹</i>	
Life.	100%
<i>(by accidental exposure to adverse weather conditions)</i>	
Hand or foot.	50%
<i>(even if the severed part is surgically reattached)</i>	
Audible speech.	50%
Hearing in both ears.	50%
Thumb and index finger of the same hand ¹⁰	25%
Quadriplegia.	100%
Hemiplegia.	50%
Paraplegia.	50%

Loss of speech or hearing means the entire, uncorrectable and irrecoverable loss of audible speech or hearing in both ears. *Loss of thumb and index finger* means the actual and permanent severance from the body of the thumb and index finger on the same hand at or above the metacarpophalangeal joints. *Quadriplegia* means the permanent, complete and irreversible total paralysis of both upper and lower limbs. *Hemiplegia* means the permanent, complete and irreversible total paralysis of the upper and lower limb on the same side of the body. *Paraplegia* means the permanent, complete and irreversible total paralysis of both lower limbs.

⁹ The disappearance must occur independently of all other causes and continue for a period of 365 days after the date of the accident despite reasonable search efforts.

¹⁰ This benefit is not payable if an AD&D insurance benefit is payable for the loss of the entire hand.



AD&D Limitations

All losses must occur solely and directly by an accident and independently of all other causes, within 365 days after the accident. Loss of life must be evidenced by a certified copy of the death certificate. Losses other than life must be certified by a *physician* in the appropriate specialty.

AD&D Exclusions

AD&D insurance benefits are not payable for death or dismemberment caused or contributed to by:

- War or act of war
- Suicide or any other intentionally self-inflicted injury, while sane or insane¹¹
- Committing or attempting to commit an assault or felony, or actively participating in a violent disorder or riot
- The voluntary use or consumption of any poison, chemical compound, alcohol or drug, unless used or consumed according to the directions of a *physician*
- Sickness or pregnancy existing at the time of the accident
- Heart attack or stroke
- Medical or surgical treatment for any of the above

Reductions in AD&D Insurance

Typically, insurance benefits are reduced to a percentage of the original amount based upon attainment of specified ages.

¹¹ For Missouri and New Jersey residents, "insane" is not applicable.

Supplemental Life Insurance

The need for life insurance often extends beyond basic coverage. Unfortunately, most people do not have enough coverage to adequately protect their families. The Standard's optional Supplemental Life insurance presents employees with the opportunity to purchase additional group term life insurance for themselves and their *spouses*. This additional coverage helps to enhance the financial security of employees and their families by providing them with flexible coverage amounts at competitive group rates.

Eligibility

Employees are eligible for Supplemental Life insurance if insured for Group Life insurance. *Spouses* are eligible for Supplemental Life insurance if the employee is insured for Supplemental Life insurance. Employees can apply for Supplemental Life insurance by submitting a signed enrollment form and an *evidence of insurability* form for themselves and their spouses. Supplemental Life insurance is effective for employees and spouses on the date *evidence of insurability* is approved. Employees must also meet the *active work* requirement on that date. Any increase in the amount of Supplemental Life insurance is subject to the same *evidence of insurability* and *active work* requirements.

Supplemental Life Amounts Available

Supplemental Life insurance is available in amounts of \$30,000 to \$300,000 in increments of \$10,000, subject to limits imposed by many states on the amounts available for *spouses*. The application materials presented to employees will include the premium rates for each \$10,000 increment of Supplemental Life insurance.

Supplemental Life Exclusion

Supplemental Life insurance benefits will not be payable for a death which is caused or contributed to by suicide or any intentionally self-inflicted injuries, while sane or insane,¹² unless the coverage has been continuously in effect for more than two years. This exclusion also applies to any increase in Supplemental Life insurance unless the amount of the increase has been continuously in effect for two years.

Reductions in Supplemental Life Insurance

At age 70, the amount of Supplemental Life insurance begins to reduce on an age-graded basis.

¹² For Missouri and New Jersey residents, "insane" is not applicable.

Dependents Life Insurance

The Standard offers Dependents Life insurance in combination with Group Life insurance to provide additional financial security for employees and their families. If Dependents Life insurance is selected, an insured employee may purchase group term life insurance to cover a *spouse* or *child*.

Children, adopted children and stepchildren living in an eligible employee's home are considered *dependents* through age 20 or age 24 if registered as students and attending an accredited educational institution on a full-time basis.

Dependents Life insurance may be continued after age 20 for a *child* who is *disabled*. Married children or *dependents* who are full-time members of the armed forces of any country are not eligible for coverage.

Insured employees are eligible to insure their *dependents* on the later of the date their Group Life insurance becomes effective or the date they first acquire a *dependent*.

Dependents Life Exclusion

This plan may include an exclusion for death resulting from suicide or other intentionally self-inflicted injury, while sane or insane.¹³ The amount payable will exclude amounts that have not been continuously in effect for at least two years on the date of death.

Reductions in Dependents Life Insurance

Typically, Dependents Life insurance benefits are reduced to a percentage of the original amount based upon attainment of specified ages.

¹³ For Missouri and New Jersey residents, "insane" is not applicable.

Some Commonly Asked Questions

Who is eligible for coverage?

Coverage is available to all active employees who are regularly working at least 30 hours each week and meet the required *eligibility waiting period* as shown in the Employee Benefits Proposal. Temporary and seasonal employees and full-time members of the armed forces of any country are not eligible for coverage.

What is the active work requirement?

Active work means performing the material duties of the employee's occupation at the *employer's* usual place of business. Employees who do not meet the *active work* requirement due to *sickness*, *injury* or *pregnancy* on the day before the scheduled effective date of insurance (including Dependents Life insurance) will not become insured until the day after the employee completes one full day of *active work* as an eligible *member*.

When is coverage effective?

The effective date of coverage for an eligible employee or dependent depends upon the *eligibility waiting period* and whether the individual is required to provide *evidence of insurability*. Additionally, in every situation eligible employees must meet the *active work* requirement before the insurance becomes effective.

While Dependents Life insurance is in effect, each new *dependent* becomes insured immediately.

If an employee or *dependent* is not required to provide *evidence of insurability*, the effective date of coverage depends upon whether the coverage is *contributory* or *noncontributory*.

For *noncontributory* plans, coverage is effective on the date the employee or the employee's *dependent* becomes eligible.

For *contributory* plans, employees must apply in writing for coverage and agree to pay premiums. Coverage is effective on the later of:

- The date the employee becomes eligible if applying on or before that date
- The date the employee applies for coverage if within 31 days after becoming eligible

If an employee or *dependent* is required to provide *evidence of insurability*, the coverage generally becomes effective on the date The Standard approves the *evidence of insurability*.

When does insurance end?

Group Life insurance automatically ends on the earliest of the following:

- The date the last period ends for which a premium payment was received if the coverage is *contributory*
- The date the *group policy* terminates
- The date employment terminates
- The date the employee fails to meet the definition of a *member*; however, Group Life insurance may be continued during certain periods

If AD&D coverage is selected, it automatically ends on the earliest of the following:

- The date the employee's Group Life insurance ends
- The date *Waiver of Premium* begins
- The date the AD&D insurance terminates under the *group policy*
- The date the last period ends for which a premium payment was received if the coverage is *contributory*



If Supplemental Life coverage is selected, it automatically ends on the earliest of the following:

- The date the employee's Group Life insurance ends
- The date the *group policy* terminates, unless the employee qualifies for *Waiver of Premium*
- The date the last period ends for which a premium payment was received if the coverage is *contributory*
- For a *spouse*, the date of divorce or legal separation, death of the employee, or the date the *spouse* becomes a full-time member of the armed forces of any country

If Dependents Life coverage is selected, it automatically ends on the earliest of the following:

- Five months after the death of the insured employee (no premiums will be charged for the Dependents Life coverage during these five months)
- The date the employee's Group Life insurance ends
- The date the Dependents Life insurance terminates under the *group policy*
- The date the last period ends for which a premium payment was received if the coverage is *contributory*
- For a *spouse*, the date of divorce
- For a *dependent*, the date the individual ceases to be a dependent
- For a *child* that is *disabled*, 90 days after The Standard requests proof of *disability*, if proof is not given

What level of employee participation is required?

For *noncontributory* plans, 100 percent of the eligible employees must participate. If a plan is *contributory* (partially or fully funded by employees), a minimum number of eligible employees must participate, as specified in the Employee Benefits Proposal.

When does the group policy terminate?

You may terminate the *group policy* by providing The Standard with written notice. It will automatically terminate if a premium payment is not received by the end of the *grace period* shown in the *group policy*. The Standard may terminate the *group policy* on any premium due date if the number of persons insured is less than the *minimum participation* requirements as defined by the *group policy*. The Standard may also terminate the *group policy* if it determines that the *policyholder* has failed to promptly furnish any

Standard Insurance Company

Founded in Portland, Oregon in 1906, The Standard is a nationally recognized insurance provider offering group disability, life, dental and vision insurance and individual disability insurance. We provide insurance to more than 28,500 groups covering approximately 7.6 million employees nationwide.* Our first group policy, written in 1951 and still in force today, stands as a testament to our commitment to building long-term relationships.

We always strive to do what's right — for our policyholders and their employees. This dedication has resulted in a national reputation for quality products, superior service and industry expertise.

To learn more about Life coverage from The Standard, contact your insurance advisor, call the Employee Benefits Sales and Service Office for your area at 800.633.8575 or visit us at www.standard.com.

* As of March 31, 2008, based on internal data developed by Standard Insurance Company.



TheStandard®
Positively different.

Standard Insurance Company
1100 SW Sixth Avenue
Portland OR 97204
www.standard.com

ATTACHMENT 5

Dedicated to Outstanding Customer Service for a Better Community

SERVICE SOLUTIONS SUCCESS

December 11, 2009

G. Sky O'Callahan, AVP Customer Support
Standard Insurance Company
920 SW Sixth Avenue
Portland, OR 97204
Facsimile: 971-321-6404
E-Mail: socallah@standard.com

**REFERENCE: NOTICE OF AWARD 2009-262R CITY OF EL PASO 2009
EMPLOYEE SUPPLEMENTAL BENEFITS** Item: Life

Dear Mr. O'Callahan

The City of El Paso has accepted your offer in response to our Solicitation number 2009-262R for **CITY OF EL PASO 2009 EMPLOYEE SUPPLEMENTAL BENEFITS**. Accordingly, on October 27, 2009, the El Paso City Council approved the award of Contract #2009-262R to multiple vendors. Your company was awarded the following item(s): Item: Life

Vendor: The Standard Insurance Company, Portland, OR
Amount: \$326,000.00 estimated annual expenditures

This is a four (4) year contract for City of El Paso 2009 Employee Supplemental Benefits. The period of performance will be from January 1, 2010 through December 31, 2013 with the option to extend the term of the contract for two (2) additional two-year periods, if the option is exercised prior to the expiration of the original term of the contract.

The contract, comprised of the solicitation, your offer and the Purchase Order(s), constitute a final and complete repository of the agreements between the City and Standard Insurance Company. It supersedes all prior or contemporaneous communications, representations, or agreements, whether oral or written, relating to the subject matter of this contract. Modifications to this Contract shall not be binding unless made in writing and signed by an authorized representative of each party.

For information concerning this contract, contact Irene Morales, OMB-Insurance and Benefits Division @ (915) 541-4448.

I will be the Contract Administrator for this Contract, and I can be reached at (915) 541-4113 or Fax (915) 541-4347. I will assist you with any questions you may have and will assure that the terms of the Contract are met. Any correspondence regarding this Contract should be sent to my attention. The City of El Paso looks forward to working with you on this Contract.

Sincerely,

Michael W. Plum

THE CITY OF EL PASO
Michael Plum
Administrative Analyst

FINANCIAL SERVICES DEPARTMENT, PURCHASING DIVISION

2 CIVIC CENTER PLAZA, 7TH FLOOR, EL PASO, TX 79901 MAIN: 915-541-4308 FAX: 915-541-4347

www.elpasotexas.gov



Mayor
John F. Cook

City Council

District 1
Ann Morgan Lilly

District 2
Susie Byrd

District 3
Emma Acosta

District 4
Carl L. Robinson

District 5
Rachel Quintana

District 6
Eddie Holguin Jr.

District 7
Steve Ortega

District 8
Beto O'Rourke

City Manager
Joyce A. Wilson

ATTACHMENT 6

Effective
10/1**CY2014 Non-Uniform Employee Benefits Summary****City of El Paso ~ Benefit Services ~ Bi-Weekly Rates**

(915) 212-1275 fax: (888) 504-7142

<http://home.elpaso.texas.gov/human-resources/risk-management/index.php>

EPWU Payroll and Benefits

City Hall 300 N. Campbell

email: insuranceandbenefits@elpaso.texas.gov

(915) 594-5533

Plan Year based on CY effective Jan 1 through Dec 31

Reviewed 07/01/2014

MEDICAL BENEFITS - AETNA Inc.

City Account Representative: Gabriela Zuniga (915) 212-1271

(877) 800-8682

www.aetna.com

DocFind Plan Name: Choice POS II (Open Access)	EE Only	EE+1	EE+2 or more	In-Network Description	Out-of-Network Description
High Deductible Plan (CDHP Plan)	\$41.59	\$97.17	\$152.75	\$3,000 Deductible 100% coverage after deductible, no co-pays	\$6,000 Deductible 50% coverage after deductible no co-pays
Basic / Core Plan	\$65.36	\$144.75	\$224.16	\$1,000 Deductible 80% coverage after deductible \$20 PCP office visit co-pay \$30 Specialist office visit co-pay	\$3,000 Deductible 50% coverage after deductible
Buy-Up Plan	\$112.96	\$240.06	\$367.14	\$300 Deductible 90% coverage after deductible \$15 PCP office visit co-pay \$25 Specialist office visit co-pay	\$1,000 Deductible 50% coverage after deductible

PRESCRIPTION BENEFITS - MEDCO/EXPRESS SCRIPTS

(800) 711-0917

www.medco.com

90 Day supply available through mail order ONLY and at double the 30 day co-pay for all three plans

Basic - 30 Day Supply	Generic	Brand Preferred (formulary)	Brand Non-prfd (non-formulary)	*CDHP-30 Day Supply	Generic	Brand Preferred (formulary)	Brand Non-prfd (non-formulary)
	\$15	\$30	\$45		\$15	\$30	\$45
Buy Up - 30 Day Supply	Generic	Brand Preferred (formulary)	Brand Non-prfd (non-formulary)	*Preventive Rx covered at 100% per federal guidelines; CDHP co-pays for chronic Rx only; all other CDHP Rx subject to deductible			
	\$10	\$25	\$40				

DENTAL & VISION PLANS

Metlife Co: (800) 880-1800

United Concordia: (800) 332-0366

City Account Manager: Gib Peña (915) 212-1279

Block Vision: (866) 265-0517

Metlife Dental	EE Only	EE + 1	EE + 2 or more	This plan is an HMO Dental Plan and Primary Dentist MUST be selected from list of providers. https://mybenefits.metlife.com
	\$4.60	\$8.50	\$10.79	
Concordia Dental with Ortho	EE Only	EE + 1	EE + 2 or more	This is a PPO Dental Plan and in-network provider list available for highest level of coverage. Out-of-Network benefits are subject to Usual and Customary (UCR) rates. Amounts over UCR rates will not be covered and patient can be balance billed by provider (coverage owed by patient). www.uccf.com/tuctcc/clients.jsp?id=206
	\$9.48	\$20.13	\$36.06	
Concordia Dental without Ortho	EE Only	EE + 1	EE + 2 or more	
	\$9.04	\$18.60	\$30.14	
Block Vision	EE Only	EE + 1	EE + 2 or more	This plan is a PPO Vision Plan and in-network list available for highest level of coverage. Must submit a claim form for out-of-network coverage reimbursement. www.blockvision.com
	\$2.44	\$4.27	\$6.35	

LIFE INSURANCE - The Standard

(800) 348-3226

www.standard.com

Basic Life and AD&D	All eligible employees have \$50,000 in Life coverage and AD&D; \$2,000 life cvg for spouse; and \$1,000 life cvg for each eligible dependent child under the age of 26 at no cost to the employee. Employee MUST enroll to receive benefit and designate beneficiaries. Domestic Partner coverage subject to Imputed Income of 5.31
Supplemental Life	Approvals up to \$200,000 are guaranteed for new employees. After 30 days of continuous employment, changes can only be made with a qualifying life event or through Open Enrollment and subject to medical underwriting. Evidence of Insurability application for underwriting process will be required with waiting period of approximately six (6) weeks for an answer from carrier. Plan is age-graded term life policy.

Disability (Short Term Disability) - Trustmark

fax: (508) 853-2757

City Account Manager: Gib Peña (915) 212-1279

www.trustmarkinsurance.com**Deferred Compensation - Prudential**www.prudentialretirement.ondialog.com/el_paso?

Local office: Presi Ortega and Associates (915) 778-2424

(877) 778-2100

EP Fitness	VIP Corporate Account Membership available through payroll deduction for employees and their eligible dependents; no contract; monthly rate of 19.99 + tax (\$10.82 bi-weekly) per member. (915) 534-9090 www.epfitness.com Corp: Accounts Manager: Joseph Bringas cell (915) 694-9286
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Wellness Program	Must be enrolled in City's Health Plan to participate in Wellness Program and is for employees only. 1) Wellness Preventive Initiative: \$10 reimbursement on health deductions after annually meeting four preventive requirements 2) Gym Membership Reimbursement: \$10 monthly reimbursement for attending gym facility at least eight times a month 3) Get Active Program: earn reward points by meeting team or individual goals set in a 8-12 week competition
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IMPORTANT INSURANCE INFORMATION

AETNA (877) 800-8682 www.aetna.com

MEDCO, EXPRESS SCRIPTS(800) 711-0917 www.medco.com

- One card will be issued for the medical and prescription plan.
- Prescription plan information is on back of Aetna card and the employee's social security number is the member ID number.
- Bill and payment questions should be directed to Aetna and its representatives.

IT IS THE EMPLOYEE'S RESPONSIBILITY:

- To notify Benefit Services Office of any errors or omissions on their Payroll Deductions. Failure to do so may result in paying back deductions and may affect insurance coverage.
- To notify the City's Benefit Services Office any of the following Qualifying Life Events within 30 days if changes need to be made to your insurance plan:

BIRTH - DEATH - DIVORCE - MARRIAGE - COURT ORDER - LEAVE OF ABSENCE

REDUCTION OF HOURS - LOSS OR BEGINNING OF CHILD DEPENDENCY - LOSS OR BEGINNING OF OTHER COVERAGE

REQUIRED DOCUMENTATION FOR THE FOLLOWING QUALIFYING LIFE EVENTS:

- Adding Dependents: birth certificates (hospital birth facts may be used for newborns) and social security numbers for all dependents
- Adding Spouse: marriage certificate or common-law certificate, social security number and date of birth of spouse
- Dropping Spouse due to divorce: final divorce decree
- Adding or Dropping Domestic Partner: Domestic Partnership Affidavit with required documentation
- Adding or Dropping Coverage Due to Coverage Elsewhere: confirmation notice from other carrier as to effective date of coverage.

Plan Snapshot for summary purposes only ~ Please refer to Medical Booklet and Schedule of Benefits for full information:

<http://home.elpasotexas.gov/human-resources/risk-management/health.php>

Features	In-Network			Out-of-Network		
	CDHP	Basic	Buy Up	CDHP	Basic	Buy Up
Individual annual deductible	\$3,000	\$1,000	\$300	\$8,000	\$3,000	\$1,000
Family annual deductible	\$6,000	\$2,500	\$750	\$16,000	\$7,500	\$2,500
Co-insurance paid by plan	100%	80%	90%	50%	50%	50%
Max individual out-of-pocket	\$3,000	\$2,000	\$1,500	\$8,000	\$6,000	\$4,500
Max lifetime benefit	n/a	n/a	n/a	n/a	n/a	n/a

	Hospital Services			Physician Office Visits		
	CDHP	Basic	Buy Up	CDHP	Basic	Buy Up
Per admission co-pay	ded then 100%	\$100	\$100	ded then 50%	\$500	\$500
Room & board (semi-private)	ded then 100%	ded then 80%	ded then 90%	ded then 50%	ded then 50%	ded then 50%
Ancillary hospital charges	ded then 100%	ded then 80%	ded then 90%	ded then 50%	ded then 50%	ded then 50%
Outpatient	ded then 100%	ded then 80%	ded then 90%	ded then 50%	ded then 50%	ded then 50%
Emergency room co-pay	ded then 100%	\$75	\$75	ded then 50%	\$75	\$75

	In-Network			Out-of-Network		
	CDHP	Basic	Buy Up	CDHP	Basic	Buy Up
PCP Office Visit (general, family, internal, pediatrician)	ded then 100%	\$20	\$15	ded then 50%	ded then 50%	ded then 50%
Specialist Physician Office Visit	ded then 100%	\$30	\$25	ded then 50%	ded then 50%	ded then 50%
Services not included in office visit	ded then 100%	ded then 80%	ded then 90%	ded then 50%	ded then 50%	ded then 50%
Annual preventive care exam	100%	100%	100%	ded then 50%	ded then 50%	ded then 50%

Pharmacy Benefits - *30 Day	In-Network			Out-of-Network
	Generic	Brand Preferred (formulary)	Brand Non-Prfd (non-formulary)	
Basic Plan	\$15	\$30	\$45	No out-of-network coverage
Buy Up Plan	\$10	\$25	\$40	

*90 Day at 30day x2 rate by Mail Order ONLY Per federal guidelines, preventive Rx covered at 100%. For CDHP: Same Basic Plan co-pays apply for CDHP Plan for chronic Rx; all other subject to deductible

Domestic Partner Bi-weekly rates with Imputed Income:

EE and DP combinations	CDHP Plan	Basic Plan	Buy Up Plan
EE Only plus Domestic Partner Adult*	\$41.59 plus \$55.58 and \$119.08 of Imputed Income	\$65.36 plus \$79.39 and \$119.08 of Imputed Income	\$112.96 plus \$127.10 and \$119.08 of Imputed Income
EE+1 plus Domestic Partner Adult*	\$97.17 plus \$55.58 and \$119.11 of Imputed Income	\$144.75 plus \$79.41 and \$119.11 of Imputed Income	\$240.06 plus \$127.08 and \$119.11 of Imputed Income
EE only plus Domestic Partner and child(ren)	\$41.59 plus \$111.16 and \$238.19 of Imputed Income	\$65.36 plus \$158.80 and \$238.19 of Imputed Income	\$112.96 plus \$254.18 and \$238.19 of Imputed Income
EE+1 and EE+2* plus DP and children	Processed same as (EE only) + (DP adult+Children)		

DP rates in addition to before-tax Employee rates. DP portions are on after-tax basis and subject to Imputed Income

ATTACHMENT 7

BASIC MED
FSA
CONCORDIA
LIFE

10-1-14

CITY OF EL PASO
2014 PERSONAL ENROLLMENT FORM - EVENT MAINTENANCE

Vanessa St. Pierre
12216 Kira Christel
El Paso, TX 79936
- (HM)
- (WK)

Employee ID: 022724
DeptID: 41240
Date of Birth:
Event ID: 1
SS#: xxx-xx-9707
Sex: Female

Benefit Pgm: CEP
Event Date: 08/11/2014
Service Date: 08/11/2014
Event Class: HIR
Marital Status: Married
Location: Health - Administration

WARNING: IF YOUR ADDRESS OR MARITAL STATUS IS INCORRECT PLEASE MAKE THE APPROPRIATE CHANGES AND RETURN TO INSURANCE & BENEFITS.

This statement lists your benefit options and their associated pay period costs. Use this worksheet to select your coverage. Please note that your choices will become effective after the appropriate waiting period for all plans. CIRCLE THE PREMIUM for the desired option and initial next to it. Circle the waive deduction (W) if you wish to waive coverage.

All covered dependents must be listed on the last page. If you select Employee +1 coverage, you must provide the name of the covered dependent in the space provided under that plan.

Return your completed enrollment form signed and dated to Insurance & Benefits within 30 days of the qualifying event.

If you have any questions, please contact Insurance & Benefits at (915) 541-4208.

Please keep a copy of this form for your records.

PER PAY PERIOD PRICE AND OPTION CODES

YOUR OPTIONS

	Employee Only	Employee +1	Employee +2 or more
<u>MEDICAL</u>			
CDHP Plan After Tax	\$ 41.59(001)	\$ 97.17(002)	\$ 152.75(003)
CDHP Plan Pre Tax	\$ 41.59(004)	\$ 97.17(005)	\$ 152.75(006)
POS Basic - After Tax	\$ 65.36(007)	\$ 144.75(008)	\$ 224.16(009)
POS Basic - Pre Tax	\$ 65.36(010)	\$ 144.75(011)	\$ 224.16(012)
POS Buy-Up - After Tax	\$ 112.96(013)	\$ 240.06(014)	\$ 367.14(015)
POS Buy-Up - Pre Tax	\$ 112.96(016)	\$ 240.06(017)	\$ 367.14(018)
Waive	\$ 0.00(W)		

You are not currently participating in the Medical plan.

Employee +1 covered Dependent _____

DOMESTIC PARTNER MEDICAL

DP CDHP for use w/ EE Only	\$ 55.58(001)	\$ 111.16(002)
DP CDHP for use w/ EE +1	\$ 55.58(003)	
DP Basic for use w/ EE Only	\$ 79.39(004)	\$ 158.80(005)
DP Basic for use w/ EE +1	\$ 79.41(006)	
DP BuyUp for use w/ EE Only	\$ 127.10(007)	\$ 254.18(008)
DP BuyUp for use w/ EE +1	\$ 127.08(009)	
Waive	\$ 0.00(W)	

You are not currently participating in the Domestic Partner Medical plan.

This plan is subject to imputed income and REQUIRES a medical plan selection of Employee Only or Employee +1 option.

HMO DENTAL

CITY OF EL PASO

2014 PERSONAL ENROLLMENT FORM - EVENT MAINTENANCE Continued

YOUR OPTIONS	PER PAY PERIOD PRICE AND OPTION CODES		
	Employee Only	Employee +1	Employee +2 or more
Metlife Dental After Tax	\$ 4.60(001)	\$ 8.50(002)	\$ 10.79(003)
Metlife Dental Pre Tax	\$ 4.60(004)	\$ 8.50(005)	\$ 10.79(006)
Metlife Dent EE+Dom Partner AT	\$ 8.50(007)		\$ 10.79(008)
Waive <i>W</i>	\$ 0.00(W)		

You are not currently participating in the HMO Dental plan.

If you select DMO Dental you must choose a provider from the Provider listing ID# _____

Employee +1 covered Dependent _____

PPO DENTAL

Concordia Dental w/o Ortho AT	\$ 9.04(001)	\$ 18.60(002)	\$ 30.14(003)
Concordia Dental w/o Ortho PT	\$ 9.04(004)	\$ 18.60(005)	\$ 30.14(006) <i>W</i>
Cncrdia no orth EE+Dm Prtnr AT	\$ 18.60(007)		\$ 30.14(008)
Concordia Dental w/Ortho AT	\$ 9.48(009)	\$ 20.13(010)	\$ 36.06(011)
Concordia Dental w/Ortho PT	\$ 9.48(012)	\$ 20.13(013)	\$ 36.06(014)
Cncrdia w/orth EE+Dm Prtnr AT	\$ 20.13(015)		\$ 36.06(016)
Waive	\$ 0.00(W)		

You are not currently participating in the PPO Dental plan.

Employee +1 covered Dependent _____

PPO VISION

Block Vision After Tax	\$ 2.44(001)	\$ 4.27(002)	\$ 6.35(003)
Block Vision Pre Tax	\$ 2.44(004)	\$ 4.27(005)	\$ 6.35(006)
Block Vision EE+Dom Partner AT	\$ 4.27(007)		\$ 6.35(008)
Waive <i>W</i>	\$ 0.00(W)		

You are not currently participating in the PPO Vision plan.

Employee +1 covered Dependent _____

SHORT-TERM DISABILITY INSURANCE

You are not currently participating in Short-Term Disability.

Disability Change ____ (Y/N) Pre-Tax Amount ____ After-Tax Amount ____
 Monthly Benefit Amount ____ Benefit Period ____ Elimination Period ____

Beneficiaries are considered to be primary unless specified as contingent (CON). For each plan type, the total of all primary percents must equal 100% and the total of all contingent percents must equal 100%.

BASIC LIFE AND AD&D

	Coverage Amount	
Basic Life and AD&D EE Only	\$ 50,000	\$ 0.00(001)
Basic Life and AD&D EE + Deps	\$ 50,000	\$ 0.00(002) <i>W</i>
EEonly portion for DP cvg	\$ 50,000	\$ 0.00(003)
Waive	\$ 0	\$ 0.00(W)

You are not currently participating in the Basic Life and AD&D plan.

CITY OF EL PASO

2014 PERSONAL ENROLLMENT FORM - EVENT MAINTENANCE Continued

DP BASIC LIFE AND AD&DCoverage Amount

DP portion for imputed income \$ 0 \$ 0.00(001)
 Waive \$ 0 \$ 0.00(W)

You are not currently participating in the DP Basic Life and AD&D plan.

This plan is subject to imputed income and REQUIRES a Basic Life and AD&D plan selection of Employee Only.

Basic Life and AD&D				
NAME	FULL ADDRESS	RELATIONSHIP	% BENEFIT	CON
Alfred St Pierre	12216 Mira Chateau El Paso, TX 79936	Husband	100	

TO ENROLL IN OR MAKE CHANGES TO THE FOLLOWING PLANS (SUPPLEMENTAL LIFE, DEPENDENT LIFE AND SHORT TERM DISABILITY) YOU MUST MEET WITH A REPRESENTATIVE. THEY WILL BE AVAILABLE DURING THE ENROLLMENT SESSIONS. AN EMPLOYEE CANNOT INSURE HIS/HER SPOUSE IF THE SPOUSE IS AN EMPLOYEE OF THE CITY OF EL PASO AND ONLY ONE PARENT CAN INSURE THE CHILD/CHILDREN.

SUPPLEMENTAL LIFE AFTER TAX

You are not currently participating in the Supplemental Life After Tax plan.

Supplemental Life After Tax 200,000 Pending E of I _____

Supplemental Life				
NAME	FULL ADDRESS	RELATIONSHIP	% BENEFIT	CON
Alfred St. Pierre	12216 Mira Chateau El Paso, TX 79936	Husband	100	

DEPENDENT LIFE-SPOUSE

You are not currently participating in the Dependent Life-Spouse plan.

Limited to 50% of employees supplemental life amount.

Dependent Life - Spouse 100,000 Pending E of I _____

DEPENDENT LIFE - CHILD

You are not currently participating in the Dependent Life - Child plan.

Dependent Life - Child 0 Pending E of I _____

SHORT-TERM DISABILITY INSURANCE

You are not currently participating in Short-Term Disability.

Disability Change (Y/N) _____ Pre-Tax Amount _____ After-Tax Amount _____
 Monthly Benefit Amount _____ Benefit Period _____ Elimination Period _____

CITY OF EL PASO

2014 PERSONAL ENROLLMENT FORM - EVENT MAINTENANCE Continued

FLEX SPENDING HEALTH - U.S.

FSA Health

Minimum Annual Contribution

\$ 240.00

Maximum Annual Contribution

\$ 2,500.00

Annual Pledge \$ 50

(Annual-Pledge - Balance-YTD) / Pay-Pds-Remaining

(300 - 270) / 6 =Option Code: Pay Period Cost: 2.50FSA Health
Waive

You are not currently participating in the Flex Spending Health - U.S. plan.

FLEX SPENDING DEPENDENT CARE

FSA Dependent Care

Minimum Annual Contribution

\$ 240.00

Maximum Annual Contribution

\$ 5,000.00

Annual Pledge \$

(Annual-Pledge - Balance-YTD) / Pay-Pds-Remaining

(-) / =Option Code: Pay Period Cost: FSA Dependent Care
Waive

You are not currently participating in the Flex Spending Dependent Care plan.

HEALTH SAVINGS ACCOUNT

HSA Pre Tax

Minimum Annual Contribution

\$ 0.00

Maximum Annual Contribution

\$ 0.00

Wellness Plan HSA

\$ 0.00

\$ 0.00

Annual Pledge \$

(Annual-Pledge - Balance-YTD) / Pay-Pds-Remaining

(-) / =Option Code: Pay Period Cost: HSA Pre Tax
Waive,

You are not currently participating in the Health Savings Account plan.

CITY OF EL PASO

2014 PERSONAL ENROLLMENT FORM - EVENT MAINTENANCE *Continued*

OTHER COVERAGE INFORMATION

Are you or any dependents covered by any other health coverage? YES NO (If YES please complete this section)

Type of coverage - ☐ Medical ☐ Dental

Insured _____ Date of Birth _____ Effective Date of Coverage _____

Name of Health Carrier _____ Group/Policy No. _____

Name of Covered Dependent(s) _____

MEDICAL RECORDS RELEASE

I authorize any hospital, physician, dentist, provider, insurance carrier, or other entity to give the City, upon request any information covering the health condition of any person included under the coverage(s) whenever the information is considered necessary by the City for proper disposition of the Application or of a claim submitted for payment.

Applicant's Signature 

Date 8-12-14

CITY OF EL PASO

2014 PERSONAL ENROLLMENT FORM - EVENT MAINTENANCE Continued

DEPENDENTS

The first box lists all dependents with current health coverages on file. Please make any necessary changes and identify any new dependents in the last box provided for you.

HEALTH				
DEPENDENTS	BIRTH DATE	MEDICAL	DENTAL	VISION

New Dependents require Documentation such as Marriage License & Birth Certificate

NEW DEPENDENTS				
DEPENDENT NAME	RELATIONSHIP	DATE OF BIRTH	SEX	SS#
Alfred St Pierre	Husband			
Cedric A St Pierre	Son			
Eden R St Pierre	Daughter			

I UNDERSTAND THAT IT IS MY RESPONSIBILITY TO VERIFY THAT ALL PAYROLL DEDUCTIONS AS STATED ABOVE ARE CORRECT AND TO REPORT ANY DISCREPANCIES IN DEDUCTIONS ON MY PAYCHECK TO THE INSURANCE AND BENEFITS DIVISION IMMEDIATELY TO GUARANTEE PROPER COVERAGE AND CONTRIBUTIONS. I ALSO UNDERSTAND THAT IF I WAIVE OR DO NOT SELECT ANY OF THE MEDICAL PLANS, I WILL NOT HAVE COVERAGE IN THOSE PLANS.

Signature:



Date:

8/12/14

ATTACHMENT 8

City of El Paso Texas

City of El Paso Texas, Office of the Comptrollers
El Paso, TX 79901Pay Group: BWI-CIVILIAN RI
Pay Begin Date: 08/24/2014
Pay End Date: 09/06/2014Business Unit: COBEP
Advice #: 000000002203675
Advice Date: 09/12/2014

Vanessa St. Pierre, 12216 Kira Christel El Paso, TX 79936	Employee ID: 022724 Department: 41240-TDH WIC SERVS Education: Health - Administration Job Title: Senior Nutritionist Pay Rate: \$2,115.38 Biweekly	TAX DATA: Federal TX State Marital Status: Married N/A Allowances: 2 0 Addl. Pct.: Addl. Amt.:
---	---	--

HOURS AND EARNINGS						TAXES		
Description	Rate	Current Hours	Current Earnings	YTD Hours	YTD Earnings	Description	Current	YTD
Holiday Pay	26,442.308	8.00	211.54	-	-	Fed Withholding	122.49	-
Regular Pay	26,442.308	72.00	1,903.85	-	-	Fed MED/EE	26.99	-
						Fed OASD/EE	115.39	-
Total:		80.00	2,115.39	-	-	Total:		264.87
BEFORE-TAX DEDUCTIONS			AFTER-TAX DEDUCTIONS			EMPLOYER PAID BENEFITS		
Description	Current	YTD	Description	Current	YTD	Description	Current	YTD
POS Basic - Pre Tax	224.16	-	Optional Life After Tax Ded	9.00	-	POS Basic - Pre Tax	370.89	-
Concordia Dental w/o Ortho P.I.	30.14	-				Basic Life - City Sponsored EE	3.36	-
Regular Employee Pen Pre Tax	182.98	-				Employer Contribu City Pension	284.52	-
						Workers' Comp.ER Rate	28.77	-
Total:		-437.28	Total:		9.00	* Taxable		
TOTAL GROSS		FED TAXABLE GROSS		TOTAL TAXES		TOTAL DEDUCTIONS		NET PAY
Current:		2,115.39		1,678.11		264.87		446.28
								1,404.24

NET PAY DISTRIBUTION	
Advice #000000002203675	1,404.24
Total:	1,404.24

City of El Paso Texas
City of El Paso Texas
Office of the Comptrollers
El Paso, TX 79901Date
09/12/2014Advice No.
2203675Deposit Amount: \$1,404.24To The
Account(s) OfVANESSA ST. PIERRE
12216 Kira Christel
El Paso, TX 79936

Location: Health - Administration

DIRECT DEPOSIT DISTRIBUTION		
Account Type	Account Number	Deposit Amount
Checking	xxxxxx1940	1,404.24
Total:		1,404.24

NON-NEGOTIABLE

ATTACHMENT 9

REQUEST FOR PROPOSALS
ISSUED BY
THE CITY OF EL PASO
PURCHASING & STRATEGIC SOURCING DEPARTMENT

SOLICITATION NO: 2017-1357R**DATE ISSUED: JUNE 27, 2017**

TITLE: SELF-FUNDED COMPREHENSIVE HEALTH PLAN ADMINISTRATION, STOP LOSS, EMPLOYEE ASSISTANCE PROGRAM, AND FULLY INSURED SUPPLEMENTAL BENEFIT PLANS
HUMAN RESOURCES

An original, signed, sealed, OFFER to furnish the goods and/or services set forth below will be received at the place indicated below, until:
2:00 PM, local time, WEDNESDAY, JULY 26, 2017

NOTICE When used in Request for Proposals, the terms 'Offer' and 'Proposal' and 'Offeror' and 'Vendor' are interchangeable.

ADDRESS OFFERS TO:
DIRECTOR
PURCHASING & STRATEGIC SOURCING DEPARTMENT
CITY OF EL PASO

MAIL TO:

CITY OF EL PASO OR
PURCHASING & STRATEGIC SOURCING DEPARTMENT
300 N. CAMPBELL, 1ST FLOOR
EL PASO, TX 79901-1153

HAND DELIVER TO:

CITY OF EL PASO
PURCHASING, 1ST FLOOR
300 N. CAMPBELL
EL PASO, TX 79901

FOR ADDITIONAL INFORMATION CONCERNING THIS SOLICITATION, CONTACT:
HAYDEE PEÑA, PURCHASING AGENT
Telephone: [916] 212-1184 Email: penah@elpasotexas.gov

EXPIRATION OF OFFERS

The Offeror agrees, to furnish all items [supplies or services] at the prices offered, and delivered at the designated point or points, within the time set forth below, if this offer is accepted within ONE HUNDRED TWENTY [120] consecutive days from the date set for the receipt of offers. All offers shall expire on the 120th day after the offers are open unless the City of El Paso requests an extension of the offers in writing and the offeror agrees to extend in writing.

AMENDMENTS TO SOLICITATION

Receipt of all numbered amendments to Solicitations must be acknowledged:

<u>AMENDMENT</u>	<u>DATED</u>	<u>AMENDMENT</u>	<u>DATED</u>	<u>AMENDMENT</u>	<u>DATED</u>	<u>AMENDMENT</u>	<u>DATED</u>
A001	_____	A002	_____	A003	_____	A004	_____
A005	_____	A006	_____	A007	_____	A008	_____

OFFER SUBMITTED BY

COMPANY NAME AS IT APPEARS ON ORGANIZATION CERTIFICATE ISSUED BY STATE IN WHICH COMPANY WAS ORGANIZED) _____

STREET ADDRESS _____

P.O. BOX NUMBER _____

CITY, STATE AND ZIP CODE _____

TELEPHONE NUMBER _____

FAX NUMBER _____

E-Mail address _____

PLEASE CHECK PREFERRED ADDRESS FOR RECEIVING SOLICITATION DOCUMENTS. ☐

OFFER EXECUTED BY [PLEASE PRINT]

NAME AND TITLE OF PERSON AUTHORIZED TO OBLIGATE COMPANY _____

SIGNATURE AND DATE OF OFFER _____

WITHOUT AN ORIGINAL SIGNATURE ON THIS OR OTHER DOCUMENT BINDING THE OFFEROR, THE OFFER WILL BE REJECTED

NOTE: AWARD OF THE CONTRACT RESULTING FROM THIS SOLICITATION WILL BE MADE TO THE SUCCESSFUL OFFEROR BY AN AUTHORIZED WRITTEN NOTICE, WHICH MAY BE IN THE FORM OF A LETTER NOTICE OF AWARD OR A PURCHASE ORDER ISSUED BY THE CITY OF EL PASO. THIS IS A ONE TIME CONTRACT ☐

DNL/St. Pierre 0025

CITY OF EL PASO, TEXAS
RFP: 2017-1357R
REQUEST FOR PROPOSALS
FOR
SELF-FUNDED COMPREHENSIVE HEALTH PLAN ADMINISTRATION,
STOP LOSS, EMPLOYEE ASSISTANCE PROGRAM,
AND FULLY INSURED SUPPLEMENTAL BENEFIT PLANS
DUE DATE: JULY 26, 2017

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a. Current Plan Information

You may download the Census Files and Claims Data from the following link:

https://www.dropbox.com/sh/zo97rcbcptimece/AAB3sHcAXaB36Yx_VEfeQGMva?dl=0

Current Plan, Options, Summary Rate Sheets, and Plan Descriptions are posted in the City's Human Resources, Benefit Services website: <https://www.elpasotexas.gov/benefits-and-risk-management/benefit-services>

b. HIPAA Exemption

The City of El Paso reserves the right to exempt itself from the following HIPPA provisions:

- A. Standards relating to benefits for mothers and newborns
- B. Parity in the application of certain limits to mental health benefits
- C. Benefits relating to coverage for reconstructive surgery following mastectomies
- D. Coverage of dependent students on a medically necessary leave of absence.

The City of El Paso reserves the right to change these exemptions at the start of any plan year.

c. Plan Year

January 1 through December 31.

Transfer and Maintenance of Eligibility Data

In your response, identify and explain your online eligibility and enrollment capabilities. Upon award of the contract, eligibility data will be transferred in an electronic format. Data will be formatted in compliance with the HIPAA compliant transaction code set. The medical plan administrator will be responsible for transmitting any eligibility data to other vendors associated with the health plan, as requested/required.

d. Contract

The successful vendor(s) will be expected to agree to a contract in form and substance satisfactory to the City of El Paso and its counsel.

e. Rates and Fees

1. Refer to the multiple-year guarantees on "Proposal Questionnaire" described in Section 2.5 Contract Period (Initial and Option Terms). Two additional 24-month time periods should be described in the event of a contract extension. Subsequently, changes in rates and fees must be provided six (6) months in advance.
2. All rates and fees quoted should **exclude commission payments**. If your proposal must contain any commissions or fees paid to employees and non-employees of your company, then full disclosure of the fees paid and recipient must be made.
3. All fees should be completed and clearly explained in the "Proposal Questionnaire" described in Section 3.2. The City of El Paso will consider a per employee per month rate, flat monthly or annual fee, or alternate unit clearly specified.
4. Administrative fees for processing run-out claims from the current plan year should be quoted separately and will be considered, however, the City of El Paso reserves the right to contract with the current administrator for run-out claims processing.

- A. The Evaluation Committee shall be established to evaluate proposals based solely on the Evaluation Factors set forth below. Factors not specified in the RFP will not be considered. The City reserves the right to waive any minor irregularities or technicalities in the proposals received. Proposals will be evaluated on an individual basis against the requirements stated in the RFP.
- B. Minor problems of completeness or compliance may be called to the attention of Offerors for clarification. Substantial deviations from specifications or other requirements of this RFP will result in disqualification of the proposal.
- C. Cost will not be the only consideration in the selection of short listed proposals. Detailed evaluation of proposals will involve a determination of the most favorable combination of various elements contained in this RFP. The selection of the ultimate winning proposal will be based upon what the evaluators believe to be most advantageous to the City.
- D. During the evaluation process, the City reserves the right, where it may serve in the City's best interest, to request additional information or clarifications from Offerors, or to allow corrections of errors or omissions.
- E. After evaluations, the Evaluation Committee will determine a short list also known as competitive range. The short list/competitive range include the proposals that have a reasonable chance of being selected for award considering all aspects of the RFP. The City may request Best and Final Offers (BAFO) and negotiate with the Respondent(s) who fall within the short list/competitive range. If required, only those Respondents within the short list/competitive range may be selected for an oral presentation and/or interview.
- F. The presentation/interview process will be arranged by the Evaluation Committee for purposes of discussion and/or clarification. Points may be deducted or added to the Respondent's preliminary score as deemed necessary by the Evaluation Committee.
- G. The City reserves the right to negotiate the final scope of services, price, schedule, and any and all aspects of this solicitation with all Respondents in the competitive range. Once negotiations are complete, the City shall establish a common date and time for the submission of Best and Final Offers. If a Respondent does not submit a notice of withdrawal of its offer, or a Best and Final Offer, the Respondent's immediate previous offer shall be construed as its best and final offer.
- H. The best and final offers shall be evaluated in essentially the same manner as the initial offers. The contract shall be awarded to the responsible Respondent whose qualifications, price and other factors considered, are the most advantageous to the City.
- I. The City reserves the right to award this contract to one Respondent, to make multiple awards and to award without discussions. The city may reject any or all offers if such action is in the City's interest, award contract other than to the lowest respondent, waive informalities and minor irregularities in offers received, and award all or part of the requirements stated.
- J. Proposals that are considered non-responsive will not receive consideration. The City reserves the right at any time during the evaluation process to reconsider any proposal submitted. It also reserves the right to meet with any Respondent at any time to gather additional information. Furthermore, the City reserves the right to delete, add or modify any aspect of this procurement through competitive negotiations up until the final contract signing.
- K. The successful Offeror's proposal will be incorporated into the final contract. Any false or misleading statements found in the proposal will be grounds for disqualification or contract termination. Submission of a proposal indicates acceptance by the Offeror of the conditions contained in this RFP, unless clearly and specifically noted in the proposal and confirmed in the contract between the City and the Offeror selected.

PART 7 - CONTRACT CLAUSES**1. TYPE AND TERM OF CONTRACT**

This is a Request for Proposal Contract under which the City shall order all of its supplies and/or services described in Part 3 from the successful bidder, hereinafter referred to as the Contractor, for the duration of the contract.

In the event the City has not obtained another service contractor by the expiration date of the term contract, the City, at its discretion, may extend the contract on a month-to-month basis not to exceed six (6) months until such time as a new contract is awarded.

The term of this agreement shall be for Thirty-Six (36) Months commencing on the date the Contractor receives a written NOTICE OF AWARD. Delivery of the NOTICE OF AWARD shall be by Email or US Postal Service.

2. INVOICES & PAYMENTS

- A. The Contractor will submit invoices, in single copy, on each contract after each delivery. Invoices covering more than one purchase order will not be accepted.
- B. Invoices will be itemized, including serial number of unit; transportation charges, if any, will be listed separately.
- C. Invoices will reflect the Contract Number and the Purchase Order Number.
- D. Do not include Federal Tax, State Tax, or City Tax. The City will furnish a tax exemption certificate upon request.
- E. Discounts will be taken from the date of receipt of goods or date of invoice, whichever is later.
- F. A copy of the bill of lading and the freight waybill, when applicable will be attached to the invoice.
- G. Payment will not be due until the above instruments are submitted after delivery and acceptance.
- H. Mail invoices to the City Department indicated in the Invoice Instructions set forth on the Purchase Order.
- I. Contractor shall advise the Comptroller of any changes in its remittance addresses.

3. CONTRACTUAL RELATIONSHIP

Nothing herein will be construed as creating the relationship of employer and employee between the City and the Contractor or between the City and the Contractor's employees. The City will not be subject to any obligations or liabilities of the Contractor or his employees incurred in the performance of the contract unless otherwise herein authorized. The Contractor is an independent Contractor and nothing contained herein will constitute or designate the Contractor or any of his employees as employees of the City. Neither the Contractor nor his employees will be entitled to any of the benefits established for City employees, nor be covered by the City's Workers' Compensation Program.

4. **INDEMNIFICATION** [Rev. 04-15-99] [Rev. 01-04-04]
Contractor or its insurer will INDEMNIFY, DEFEND AND HOLD the City, its officers, agents and employees, HARMLESS FOR AND AGAINST ANY AND ALL CLAIMS, CAUSES OF ACTION, LIABILITY, DAMAGES OR EXPENSE, (INCLUDING BUT NOT LIMITED TO ATTORNEY FEES AND COSTS) FOR ANY DAMAGE TO OR LOSS OF ANY PROPERTY; OR ANY ILLNESS, INJURY, PHYSICAL OR MENTAL IMPAIRMENT, LOSS OF SERVICES, OR DEATH TO ANY PERSON ARISING OUT OF OR RELATED TO THIS AGREEMENT. Without modifying the conditions of preserving, asserting or enforcing any legal liability against the City as required by the City Charter or any law, the City will promptly forward to Contractor every demand, notice, summons or other process received by the City in any claim or legal proceeding contemplated herein. Contractor will 1) investigate or cause the investigation of accidents or occurrences involving such injuries or damages; 2) negotiate or cause to be negotiated the claim as the Contractor may deem expedient; and 3) defend or cause to be defended on behalf of the City all suits for damages even if groundless, false or fraudulent, brought because of such injuries or damages. Contractor will pay all judgments finally establishing liability of the City in actions defended by Contractor pursuant to this section along with all attorneys' fees and costs incurred by the City including interest accruing to the date of payment by Contractor, and premiums on any appeal bonds. The City, at its election, will have the right to participate in any such negotiations or legal proceedings to the extent of its interest. The City will not be responsible for any loss of or damage to the Contractor's property from any cause.

5. GRATUITIES

The City may, by written notice to the Contractor, cancel this contract without liability to Contractor if it is determined by the City that gratuities, in the form of entertainment, gifts, or otherwise, were offered or given by the Contractor, or any agent or representative of the Contractor, to any officer or employee of the City of El Paso with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making or any determinations with respect to the performing of such a contract. In the event this contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost

ATTACHMENT 10



Dearborn National®

July 31, 2017

Bruce D. Collins, CPPO
Purchasing Director
City of El Paso
Purchasing & Strategic Sourcing Department
300 N. Campbell, 1st Floor
El Paso, Texas 79901-1153

RE: RFP#2017-1357R Self-Funded Comprehensive Health Plan Administration, Stop Loss,
Employee Assistance Program, and Fully Insured Supplemental Benefit Plans

Dear Mr. Collins:

On behalf of Dearborn National, and in conjunction with our agent, Marc Hernandez of T.E.B. Benefits Group, I'm pleased to provide a proposal for Voluntary Vision, Group Term Life and Accidental Death & Dismemberment, and Supplemental Life insurance benefit plans for the employees of the City of El Paso. Dearborn National is committed to a fair and competitive bid process with public employers. We abide by all requirements of the RFP process and all applicable restrictions on information sharing described in the RFP.

Our parent company, Health Care Service Corporation, a Mutual Legal Reserve Company, (HCSC) is the largest non-investor owned health insurer in the United States and the fourth largest overall. HCSC offers a wide variety of health and life insurance products related services through its operating divisions and subsidiaries, including Blue Cross and Blue Shield of Illinois, Montana, New Mexico, Oklahoma, and Texas. Dearborn National is consistently rated "A" by both A.M. Best Company¹ and Standard & Poor's². These superior financial ratings demonstrate the financial security your employees will have with Dearborn National.

For your convenience, below is a summary of the proposal highlights:

- A 4-year guarantee for Voluntary Vision
- America's largest vision network³. Members will have access to 85,000 providers including 48,000 independent providers⁴. Plus members can visit top retail providers such as LensCrafters®, Pearle VisionSM, Sears Optical®, Target OpticalSM, and JCPenney Optical®.
- A 3-year rate guarantee for Life/AD&D and Supplemental Life

¹ Affirmed July 26, 2016. A.M. Best Company rates the overall financial result of a company using a scale of A++ (Superior) to F (In Liquidation).

² Affirmed May 27, 2016. Standard & Poor's Insurer Financial Strength Rating uses a scale ranging from AAA (Extremely Strong) to R (Experienced Regulatory Action).

³ EyeMed Analysis of NetMinder data through November 2016.

⁴ On the Dearborn National Vision Care Select network.

1001 East Lookout Drive, Richardson, TX 75082, Phone: 972-766-3203, Mobile: 972-979-9747

Products and services marketed under the Dearborn National® brand and the star logo are underwritten and/or provided by Dearborn National's Life Insurance Company, (Downers Grove, IL) in all states (excluding New York), the District of Columbia, the United States Virgin Islands, and Puerto Rico. Product features and availability vary by state and company, and are solely the responsibility of the insurer. **DNL/St. Pierre 0079**



- The addition of value-added services free of charge, including DearbornCaresSM, Beneficiary Resource ServicesTM and Travel Resource ServicesTM

We appreciate the opportunity to provide an insurance solution for your employees. I look forward to discussing our proposal with you soon and thank you again for the opportunity to provide these valuable benefits to your employees.

Sincerely,

Matt Aldridge
National Account Sales Executive
Dearborn National
1001 East Lookout Drive, Tower B- 14th Floor
Richardson, TX 75082
Phone: 972-766-3203
Mobile: 972-979-9747
E-mail: Matt_Aldridge@dearbornnational.com

Enclosures

1001 East Lookout Drive ▲ Richardson, TX 75082 ▲ Phone: 972-766-3203 ▲ Mobile: 972-979-9747

Products and services marketed under the Dearborn National® brand and the star logo are underwritten and/or provided by Dearborn National® Life Insurance Company, (Downers Grove, IL) in all states (excluding New York), the District of Columbia, the United States Virgin Islands and Puerto Rico. Product features and availability vary by state and company, and are solely the responsibility of the insurer.

DNL/S: Pierre 0080



Introduction and Overview

Insurance Solutions for City of El Paso

At Dearborn National Life Insurance Company, we understand the importance of offering an attractive employee benefits package that is cost effective for both the **City of El Paso** and its employees. In turn, we accept the responsibility to provide employers with the competitive products and expertise necessary to meet this basic need.

Dearborn National was founded and incorporated in the state of Illinois in 1966 to provide ancillary insurance products and services to the customers of our parent company, Health Care Service Corporation (HCSC). Dearborn National is a for-profit, legal reserve stock insurance company, and a wholly owned subsidiary of Health Care Service Corporation (HCSC). HCSC, a mutual legal reserve company conducts business as Blue Cross and Blue Shield of Illinois, Montana, New Mexico, Oklahoma and Texas. HCSC is the largest health care insurance provider in the state of Illinois and is the 4th largest medical carrier nationally. With the backing of HCSC, Dearborn National has evolved into one of the nation's leading providers of group life, disability, critical illness, voluntary accident, vision and dental insurance programs.

Dearborn National has more than 30,000 groups in force across the nation; many of these are public sector accounts. Following is a sample list of our current clients:

- Harris County
- University of Texas
- Meijer
- State of Connecticut
- AutoZone
- City of Houston
- City of Austin
- City of San Antonio
- City of Columbus
- City of Oklahoma City

The Dearborn National team has reviewed your request for proposal thoroughly to develop an understanding of your unique specifications. The enclosed proposal summarizes the solutions we recommend. This proposal also describes key differentiators that show why Dearborn National is the right Life insurance carrier for you.

Products and services marketed under the Dearborn National® brand and the star logo are underwritten and/or provided by Dearborn National® Life Insurance Company, (Downers Grove, IL) in all states (excluding New York), the District of Columbia, the United States Virgin Islands and Puerto Rico. Product features and availability vary by state and company, and are solely the responsibility of each affiliate.



dearborn  national[®]
Partnership. Solutions. Strength.

Strength



We have a strong parent company in Health Care Service Corporation (HCSC), a Mutual Legal Reserve Company. HCSC is the largest customer-owned health insurer and the fourth largest overall in the United States. Dearborn National has been serving the industry since 1969. We have \$91.7 billion of life insurance in force¹ and \$2.2 billion in assets². All group benefits administration is performed in the United States. No customer service, administration or claim functions are performed off-shore.

Financial Ratings

The City of El Paso can rest assured that Dearborn National is financially stable. Our strength is reflected in the solid and consistent financial ratings we receive from A.M. Best Company and Standard & Poor's.

*Dearborn National Life Insurance Company is rated A (Excellent) by A.M. Best Company³
Dearborn National Life Insurance Company is rated A (Strong) by Standard & Poor's⁴*

These ratings speak to our commitment to manage our business well. By maintaining a strong balance sheet backed by conservative investments, we are positioned to meet our obligations and fulfill our promises. The City of El Paso's employees will be protected because we manage our business with prudence to remain financially strong.

¹ As of 12/31/15

² As of 06/30/15

³ As of July 29, 2016. A.M. Best Company rates the overall financial result of a company using a scale of A++ (Superior) to F (In Liquidation).

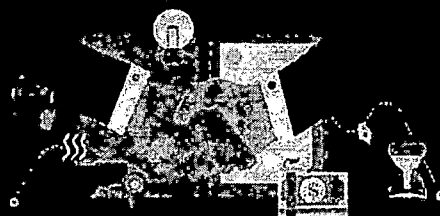
⁴ As of May 27, 2016. Standard & Poor's Insurer Financial Strength Rating uses a scale ranging from AAA (extremely Strong) to R (Experienced Regulatory Action)

Products and services marketed under the Dearborn National[®] brand and the star logo are underwritten and/or provided by Dearborn National[®] Life Insurance Company, (Downers Grove, IL) in all states (excluding New York), the District of Columbia, the United States Virgin Islands and Puerto Rico. Product features and availability vary by state and company, and are solely the responsibility of each affiliate.



dearborn  national
Partnership. Solutions. Strength.

Partnership



We believe in the strength of partnership with our clients. Dearborn National will stand beside you as a true partner, looking out for your best interests. As a customer-driven insurance company, we always strive to exceed customer expectations.

Unlike many of our competitors, Dearborn National is a privately held corporation. This allows us to make our customers our primary focus, rather than seeking to meet the expectations of investment analysts. We will concentrate on the City of El Paso's needs, both current and in the future.

As one of the nation's leading providers of ancillary insurance programs, we partner with employers to evaluate, design and implement meaningful, affordable benefit programs. As a result, our team has knowledge and insight that come only through experience, equipping us to effectively accommodate your needs.

Account Service

Our partnership continues beyond implementation. You will be provided with an Account Service team to make the transition to Dearborn National smooth and effective with minimal interruption to your employees.

Your dedicated Account Service team will be led by an Account Manager, who will work with your assigned Implementation Coordinator. The Account Manager will be responsible for day-to-day contact with your chosen staff to answer plan administration questions and to ensure service needs are handled quickly and efficiently. The Account Manager will provide the focus needed to anticipate problems before they arise.

Your Account Manager will:

- Provide strategic account management and consultation
- Gather, analyze and disseminate information
- Maintain a working knowledge of the City of El Paso's challenges and strengths to maximize value and return on investment
- Attend quarterly and annual meetings
- Provide consultation and recommendations for your benefit plan design
- Support the City of El Paso during the renewal process
- Participate in every facet of implementation to ensure a seamless transition

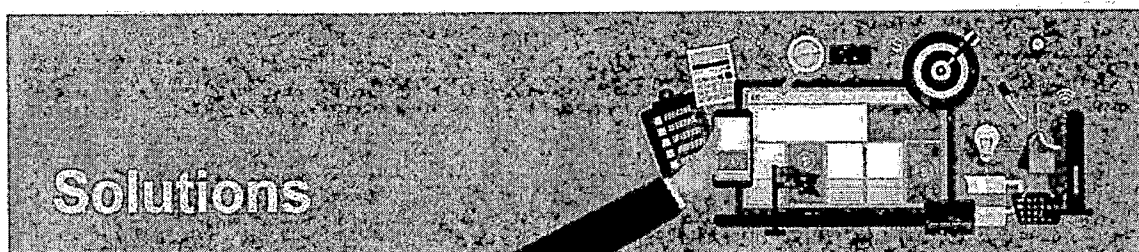
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dearborn  National[®]
Partnership. Solutions. Strength.

Our Account Service teams are comprised of professionals with proven skills and success working with our clients. Services will include, at a minimum:

- Ongoing meetings with your Dearborn National Account Service team to ensure that your needs and requirements are addressed
- Creation and review of draft contracts and certificates
- Facilitation of client service trainings
- Review of annual benefits and experience with your benefits staff
- Administration of annual surveys to obtain feedback regarding our service



Dearborn National offers an expansive portfolio of employer-paid and voluntary benefits designed to complement any health plan. Our full suite of ancillary products and services includes Group Life and Disability. We've also expanded our voluntary solutions to include Critical Illness.

Life Insurance

Life insurance is the foundation of any benefits program. We offer a variety of affordable Life Insurance products available through the workplace. These plans also include many Enhanced Product Services, giving employees further peace of mind.

The following Enhanced Product Services will provide the City of El Paso with a cost-effective way to complete your benefits program:

- **DearbornCaresSM** - DearbornCares provides and advance payment of the life insurance benefit to help beneficiaries cover their immediate expense, such as funeral costs and medical bills.
 - Pays up to \$10,000 of Employer-Paid Basic Life insurance claims in advance
 - Available for covered employees and retirees
 - Applies to claims with 1 or 2 named beneficiaries
 - No death certificate required
- **Beneficiary Resources ServicesTM** - Employees and family members experience unique issues resulting from a terminal illness or the loss of a loved one. Our Beneficiary Resource Services program helps beneficiaries and their families cope with sorrow and change. The program provides help through a combination of legal, grief and financial counseling services, as well as online funeral planning. A network of

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counselors and advisors provide members unlimited phone contact and five face-to-face working sessions for legal, grief or financial counseling, as well as referral support services. This program is included with the proposed Life insurance plan at no additional cost to the City of El Paso or your employees.

Beneficiary Resource Services is provided by Bensinger, DuPont & Associates (BDA). The Dearborn National® brand companies do not provide any part of Beneficiary Resource Services. Legal services will not be provided for court proceedings or for the preparation of briefs for legal appearances or actions or for any action against any party providing Beneficiary Resource Services. Legal services provided under Beneficiary Resource Services are not intended for adversarial matters. Neither BDA nor the Dearborn National brand companies are responsible or liable for care or advice rendered by any referral resources.

- **Travel Resource Services™** - The Travel Resource Services program helps insured employees and their families deal with unexpected emergencies that take place while traveling. Employees have access to 24-hour services that can help them access emergency assistance when traveling 100 or more miles from home, including medical monitoring, medical evaluation, traveling companion assistance, dependent children assistance and visits by family members or friends. This program is included with the proposed Life insurance plan at no additional cost to the City of El Paso or your employees.

Voluntary Vision Insurance

Dearborn National Vision Care has partnered with EyeMed to bring our customers vision benefits that deliver more. Our partnership with EyeMed allows us to offer some of the best vision plans available, as well as access to some of the nation's favorite optical retail stores, including LensCrafters, Pearle Vision, Target Optical, Sears Optical, and JC Penney. With Dearborn National Vision Care, your employees can enjoy the following:

- The right network. Employees choose from a network with the right mix of independent, national retail and regional retail providers. This way, they receive vision care and services when and where it's convenient.
- In-Network options at the employee's fingertips. Members can make glasses and contact lens purchases online using Glasses.com and ContactsDirect.com—the best part is that both are in-network, so benefits apply right at checkout.
- Better frame choices. No frame towers or contact lens formularies! Employees get to choose their frames from any available brand, including the world's leading designers.
- Award winning customer service. Our live agents are available to assist 15 hours a day/102 hours a week on average.

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ATTACHMENT 11



Dearborn national®

November 1, 2017

Ms. Haydee Pena
Purchasing Agent
The City of El Paso
City 1, 300 N. Campbell Street
El Paso, TX 79901

Re: Best and Final Offer (BAFO): 2017-1357R

Dear Ms. Pena:

Thank you for the opportunity to respond to your request for a Best and Final Offer for our Life and Vision proposal for the employees of the City of El Paso. We trust the following enhancements and clarifications will provide you with the information you need.

Dearborn National is offering the following options to the City of El Paso regarding our Life Insurance coverage:

LIFE INSURANCE, OPTION A:

- A Basic Life Insurance rate of \$.035 for all classes (proposal attached)
- Rate Guarantee of 5 years
- A one-time \$50,000 implementation reimbursement based on placing the Life Insurance coverage with Dearborn National. Dearborn National agrees to pay up to \$50,000 for implementation services provided by third parties. The services provided and the agreed upon payment amount must be reflected on an invoice from the third party vendor.
- No open enrollment with current amounts being grandfathered.

LIFE INSURANCE, OPTION B:

- A Basic Life Insurance rate of \$.043 for all classes (proposal attached)
- Rate Guarantee of 5 years
- A one-time \$50,000 implementation reimbursement based on placing the Life Insurance coverage with Dearborn National. Dearborn National agrees to pay up to \$50,000 for implementation services provided by third parties. The services provided and the agreed upon payment amount must be reflected on an invoice from the third party vendor.
- A one-time modified open enrollment with Life insurance amounts of \$50,000 for employees and \$20,000 for spouses up to the Guarantee Issue Limit. Anyone wishing coverage over the Guarantee Issue Limit would still need to submit evidence of insurability. In the event that someone does not wish to change their elected amounts, the current amounts will be grandfathered.

1001 East Lookout Drive ▲ Richardson, TX 75082 ▲ Phone: 972-766-3203 ▲ Mobile: 972-979-9747

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VISION INSURANCE

Please see our BAFO Dearborn National Vision Care proposal included with our offer. If chosen as your Vision carrier, we recognize and acknowledge that the City of El Paso may not receive approval from the City Council until the end of November. If awarded the business we will work closely with the City of El Paso to test and set up file feeds to ensure member accuracy. This process can take up to 45 days as we work with your vendor to obtain membership. If the City of El Paso implements a January 1, 2018 effective date for Vision coverage, there is a chance that members would not be in the system on their effective date causing unwanted delays in service. Because Dearborn National prides itself in serving our members, we recommend a February 1, 2018 effective date for the best customer experience. This ensures members are fully loaded into the system and able to make provider appointments, verify benefits and access their online ID cards by their effective date. Hard copies of ID cards will be mailed within 10 days of members being loaded into our system.

Ms. Pena, after reviewing our proposal and BAFO, please contact me with any further questions you have. Dearborn National is committed to providing the City of El Paso the best customer experience for both your Life and Vision insurance coverages. Thank you.

Sincerely,

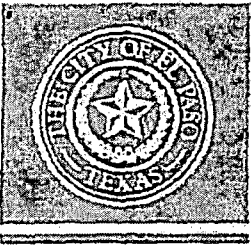
Matt Aldridge
National Account Sales Executive
Dearborn National
1001 East Lookout Drive, Tower B- 14th Floor
Richardson, TX 75082
Phone: 972-766-3203
Mobile: 972-979-9747
E-mail: Matt_Aldridge@dearbornnational.com

Enclosures

1001 East Lookout Drive ▲ Richardson, TX 75082 ▲ Phone: 972-766-3203 ▲ Mobile: 972-979-9747

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ATTACHMENT 12



Purchasing & Strategic Sourcing Department

November 28, 2017

Mayor
Dee Margo

City Council

District 1
Peter Svarzbein

District 2
Alexandra Annello

District 3
Jassandra H. Brown

District 4
Sam Morgan

District 5
Dr. Michiel R. Noe

District 6
Claudia Ordaz Perez

District 7
Henry Rivera

District 8
Cissy Lizarraga

City Manager
Tommy Gonzalez

Dearborn National Life Insurance Company
Attn: Jeffery W. Barret
1020 31st Street
Downers Grove, IL 60515

RE: Notice of Award – 2017-1357R Self-Funded Comprehensive Health Plan Administration, Stop Loss, Employee Assistance Program, and Fully Supplemental Benefit Plans

Dear Jeffery W. Barret

The City of El Paso has accepted your offer in response to our solicitation 2017-1357R Self-Funded Comprehensive Health Plan Administration, Stop Loss, Employee Assistance Program, and Fully Supplemental Benefit Plans. Accordingly, on November 28, 2017 the City of El Paso approved the award of contract No: 2017-1357R to Dearborn National Life Insurance (Groups M and N) for an initial three (3) year term for an estimated amount of \$5,708,370.90 to include a two (2), two-year optional amount of \$7,611,161.20 for a total seven (7) year award of \$13,319,532.10. Funding will be provided with forthcoming Purchase Orders issued by this office.

The period of performance is from November 28, 2017 thru November 27, 2020

The contract comprised of the solicitation, your offer, and the Purchase Order(s), constitutes a final and complete repository of the agreements between Dearborn National Life Insurance Company and the City of El Paso. It supersedes all prior or contemporaneous communications, representations, or agreements, whether oral or written, relating to the subject matter of this contract. Modifications to this contract shall not be binding unless made in writing and signed by an authorized representative of each party.

The Contract Administrator for this contract is Linda B. Thomas, Human Resource Director who can be reached at (915) 212-1240 or via email at ThomasLB@elpasotexas.gov. The Contract Administrator will assist you with any questions you may have and will ensure the terms of the contract are met. The City of El Paso looks forward to working with you on this contract.

Sincerely,


Bruce Collins, CPPO
Purchasing Director
Purchasing & Strategic Sourcing Department

cc: Linda B. Thomas, Human Resources
Bid File

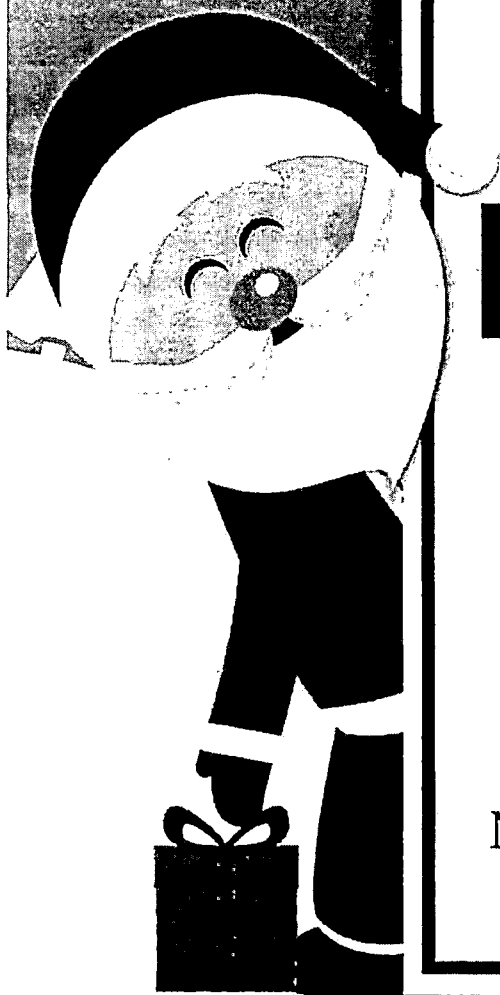
(BCD:HP

Bruce D. Collins, CPPO
City 1 | 300 N. Campbell Street | El Paso, Texas 79901 | (915) 212-0043

DNL/St. Pierre 0407
"Delivering Outstanding Services"

ATTACHMENT 13

DEAR SANTA CLAUS,
ALL I WANT FOR CHRISTMAS IS....



OPEN ENROLLMENT 2018



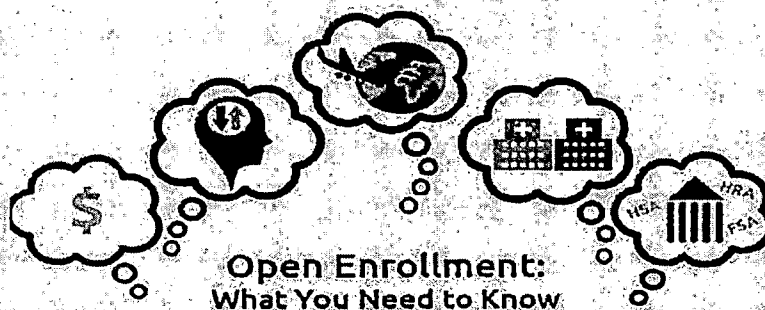
NON UNIFORM EMPLOYEES
NEWSLETTER

CITY HUMAN RESOURCES—BENEFIT SERVICES
300 N. Campbell El Paso, Texas 79901—City 1
(915) 212-1275 • Benefits@elpasotexas.gov

OPEN ENROLLMENT**DECEMBER 4 - DECEMBER 15****OE
2018**

Open Enrollment (OE) is finally here! By now you should have submitted your bloodwork (and spouse's) so that you can receive your Health Insurance discounted rate for 2018. Your discounted rate will begin to take effect on your first January paycheck. If you missed the deadline, you'll have another chance next year. This newsletter will provide all of your OE basics to help you make the best choices for your 2018 insurance plans, to include:

- OE SCHEDULE & DATES
- VENDORS
- SUMMARY RATE SHEETS
- ENROLLMENT FORM
- DEPENDENT INFORMATION
- TIPS & REMINDERS
- HIGHLIGHTS

**IMPORTANT**

You will only have to re-enroll if you are making changes, if not, your current plans will rollover to the next year and the rates will be adjusted accordingly.

Due to time constraints, OE will be processed manually and not through PeopleSoft.

Enrollment Forms will be available at the OE on-site sessions or on My.ElPasoTexas.gov.

Changes made during OE will be effective January 1, 2018. Your paycheck deductions for these changes will start reflecting on your January paychecks, so it is very important that you review your paychecks and report any discrepancies.

Please make sure that you save your confirmation from Benefit Staff that your Enrollment Form has been received.

The Benefits Services office is open Monday through Thursday from 7:00AM - 6:00PM. For questions during OE, we will have dedicated staff available for you at each of the on-site sessions.

OPEN ENROLLMENT On-site Schedule

8:00AM—11:30AM
1:00PM—5:00PM

DECEMBER 2017

MONDAY 12/4	TUESDAY 12/5	WEDNESDAY 12/6	THURSDAY 12/7
CITY HALL BREEZEWAY 300 N CAMPBELL	NORTHEAST 911- COMMUNICATIONS AUDITORIUM 6055 THREADGILL	MSC COTTON PATCH 7968 SAN PAULO	NORTHWEST MSC BREAKROOM 4096 DONIPHAN
MONDAY 12/11	TUESDAY 12/12	WEDNESDAY 12/13	THURSDAY 12/14
MSC COTTON PATCH 7968 SAN PAULO	MVRC CONFERENCE ROOM 9011 ESCOBAR	CITY HALL BREEZEWAY 300 N CAMPBELL	SUN METRO TOC TRAINING ROOM 10151 MONTANA



**BRING
YOUR
QUESTIONS**

**WE'LL HELP
YOU ENROLL**

**ASK THE
VENDORS**

**If you are adding a dependent Please remember to
take your dependent documents so that Benefit Staff
can upload those items to your file.**

VENDORS 2018

aetnaSM

*MEDICAL
PHARMACY
& DENTAL (PPO)*

*DENTAL
(HMO)*

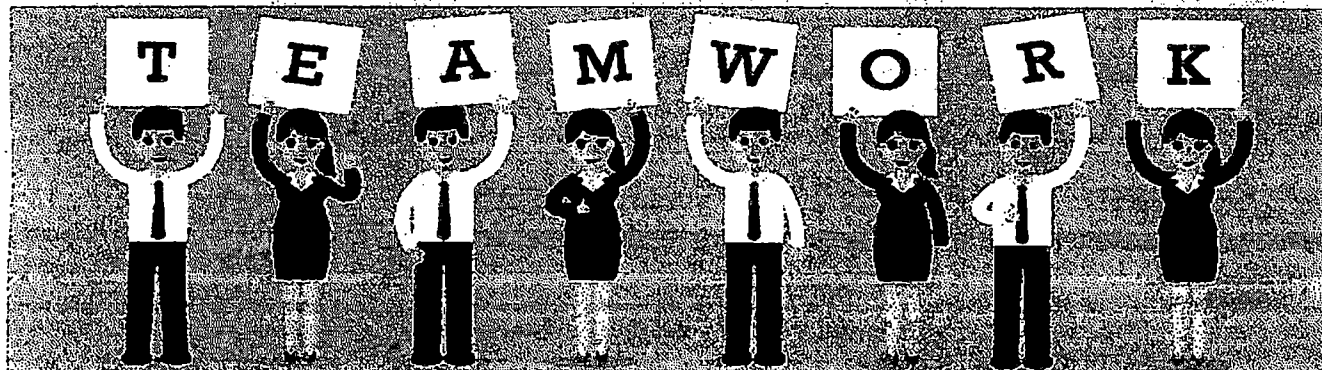
MetLife

Dearborn 
National[®]

*VISION
&
LIFE*

*SHORT TERM
DISABILITY*

Trustmark
Voluntary Benefit Solutions



OE 2018 PROCESS



1

Complete the OE Form **ONLY** if you are making changes for 2018



2

Provide your Dependent Documents if you are adding **ANY** Dependents



3

Submit your completed OE Form **AND** Dependent Documents to Benefits
at an on-site session or via email by December 15, 2017



4

Receive confirmation of submission by Benefits Staff
at the on-site session or via email



5

Review the Deductions on your January 12, 2018 Paycheck and
report any discrepancies to Benefit Services as soon as possible

ENROLLMENT FORM INSTRUCTIONS

Make sure you are completing the proper Enrollment Form.

Select OPEN ENROLLMENT if you are making any changes for 2018 and begin STEP 1.

- STEP 1** Complete the Employee Information section. Please write legibly and continue to select your Plans, Tiers and Tax Options on PARTS A through D. Move ahead to STEP 2.
- STEP 2** Select a BASIC LIFE option on Part E and, if applicable, fill out the amounts for SUPPLEMENTAL LIFE. After reading PART F, move ahead to STEP 3.
- STEP 3** Complete PART G and provide required documentation to Benefit Staff. Proceed to STEP 4.
- STEP 4** Read PART H then SIGN and DATE PARTS I & J.
- STEP 5** Review Employee Information and selections made for the 2018 Plan Year before submitting to Benefit Services



CDHP ENROLLMENTS—IMPORTANT INFORMATION

CDHP Employee Only—Receive \$500 in your HSA

CDHP plus Dependent(s)—Receive \$1,000 in your HSA

This will count towards your HSA limits:

\$3,450 for EE only/\$6,900 for EE + dependents.

You will automatically receive the City's HSA contribution
unless you select to WAIVE the HSA.

Any current HSA funds in your account will rollover to your 2018 balance.

ADDING / DROPPING DEPENDENTS

In order to Add a Dependent, please provide the Required Dependent Documents listed below and state the coverages for that dependent on the Enrollment Form. Dependents cannot be Added if you do not provide the required documentation indicating that he/she is your dependent.

You may provide Dependent Documents to Benefits:

- in person at an Open Enrollment on-site session
- via email at Benefits@elpasotexas.gov
- in person at City HR—Benefit Services

Please include the following information when you submit the required documentation to Benefit Staff:

- Kronos ID#
- Dependent's Name
- Relationship
- Social Security Number
- Date of Birth
- Address w/ City, State & Zip Code

Please select the DELETE option on the Enrollment Form to delete a dependent or state which coverages you will be dropping this dependent from.



Dependents will be dropped if the proper documentation is not on file by the end of Open Enrollment

DEPENDENT DOCUMENTATION

NEW DEPENDENT	*Domestic Partner Affidavit	Marriage Certificate	Birth Certificate	Social Security Card
SPOUSE		X		X
CHILD(REN)			X	X
DOMESTIC PARTNER	X			X

*Also includes ALL supporting documents as requested by the Domestic Partner Affidavit

TIPS & REMINDERS

1. You need to re-enroll in the Flexible Spending Arrangement (FSA) every year. This plan does not automatically rollover from year to year.
2. The CDHP provides benefits for medical and prescription drugs. All drugs are subject to the deductible before benefits are provided with the exception of: certain Affordable Care Act preventive drugs, which are reimbursed at 100% and not subject to the deductible, and some additional chronic and preventive drugs, which are also not subject to the deductible and covered under a co-pay (similar to the co-pays for the Basic and Buy Up Plans). The drugs eligible for the co-pay are identified on a list through the link below.
<https://www.elpasotexas.gov/benefits-and-risk-management/benefit-services/cy2018-information>
3. Make sure you review the Supplemental Life Insurance rate sheet because your rate increases as you move into the next age group.
4. If you are currently enrolled in the City's insurances, you may see an increase in your December paychecks because your insurance premiums will not be deducted.
5. Don't forget to check your January paychecks to make sure your Open Enrollment selections are reflecting correctly.
6. Remember that the only time you can make any changes to your coverages is during Open Enrollment or 30 days within a Qualifying Event.
7. The City of El Paso is motivating employees to live a healthier lifestyle through the Wellness Program. You do not have to be enrolled in the City's Health Plan, you just have to be eligible to enroll.

Please visit the Wellness Program page for more info.

<http://my.elpasotexas.gov/wellness/>

SHAPE IT UP
EL PASO

CONTACT US

CITY HR—BENEFIT SERVICES

300 N CAMPBELL

EL PASO, TX 79901

Benefits@elpasotexas.gov

915-212-1275

OF 2018



QUESTIONS & ANSWERS

Q: What happens if I have FSA funds left this year and enroll in the CDHP Plan to get the City's contributions of \$500 or \$1000?

A: In order to put money into your HSA, you would either have to forfeit (lose) the funds in your FSA so they don't roll over or use them up before December 31, 2017.

Q: How do I know if I'm eligible for an HSA?

A: If you enroll in the CDHP Plan, you need to be eligible to have a Health Savings Account (HSA) in order to receive the \$500 or \$1000 that the City is contributing. To be eligible, you may not have any other coverage that is not a high deductible plan; cannot be claimed on someone else's income tax return; must not be enrolled in Medicare or TRICARE.

OE 2018 HIGHLIGHTS

You will only have to re-enroll if you are making changes, if not, your current plans will rollover to the next year and the rates will be adjusted accordingly.

*Open Enrollment will be done manually this year and **NOT** on PeopleSoft*

- Follow the OE Process and OE Form Instructions
- Visit an on-site OE session for help enrolling
- Provide your Dependent Documents

Your OE changes are effective **1/1/18**, so review your first January paycheck to make sure that your changes are reflecting correctly. *If not, please contact Benefit Services.*

Make sure that your current Provider is in the new Carrier's Network. The New Carrier Information is below and you can also visit their website to view/print your ID Cards as of 1/1/18.



Aetna will be your new Prescription and PPO Dental Carrier

Medical/Prescription (877) 800-8682

PPO Dental (877) 238-6200

Aetna.com



Dearborn National will be your new Vision and Life Insurance Carrier

Vision (844) 323-8302 eyemedvisioncare.com/dearborn

Life Insurance (800) 348-4512 dearbornnational.com/individuals/index.html

Special provisions for the 2018 Enrollment ONLY

Employees may increase their supplemental life volume without Evidence of Insurability (E of I) by up to \$50,000, not to exceed a total of \$200,000. Spouses may increase their supplemental life volume without E of I by up to \$20,000, not to exceed a total of \$20,000. Any increased amount in excess of these limits is subject to E of I. The E of I form will be available upon request.

*On-site
Representatives
Also Available!*



ATTACHMENT 14


CITY HR - BENEFIT SERVICES
Benefits@elpasotexas.govENROLLMENT FORM 2018
NON - UNIFORMINSURANCE EFFECTIVE DATE
JANUARY 1, 2018

NEW EMPLOYEE

OPEN ENROLLMENT

QUALIFYING EVENT

New Employees: Submit this form and any applicable documents to Benefit Services no later than 30 calendar days from your 1st day of employment.**Continuing Employees:** To make changes due to the occurrence of a qualifying event change in status, attach supporting documents and turn this form in to Benefit Services no later than 30 calendar days from the date of qualifying event change in status.**Employees adding coverage for dependents must provide documentation by December 15, 2017 supporting the relationship and the eligibility of the dependent, including spouse/domestic partner or children, with the enrollment form.**Deliver form and applicable attachments to Benefit Services at Benefits@elpasotexas.gov in 300 N. Campbell, El Paso, Texas 79901, or fax to 856-504-7142.**PART A EMPLOYEE INFORMATION**

KRONOS ID 022724	Phone # 915-731-5778	Email st.pierre.v	@elpasotexas.gov	For HR-BENEFITS Staff Use Only
Name (Last, First, Middle) St Pierre, Vanessa				 PS 19 DEC 17 Proof of Election
Address 12216 King Christel				
City, State, Zip El Paso TX 79936				

PART B HEALTH INSURANCE**SELECT AN PLAN, TIER & TAX OPTION OR WAIVE**

PLAN	<input checked="" type="checkbox"/> BASIC	<input type="checkbox"/> BUY UP	<input type="checkbox"/> CDHP	<input type="checkbox"/> WAIVE
TIER	<input type="checkbox"/> EE ONLY	<input type="checkbox"/> EE - SPOUSE / DP	<input type="checkbox"/> EE - CHILDREN	<input checked="" type="checkbox"/> EE + FAMILY
TAX	<input checked="" type="checkbox"/> BEFORE TAX <input type="checkbox"/> AFTER TAX			

CDHP ENROLLMENTS - IMPORTANT INFORMATION

You will automatically receive the City's HSA contribution unless you select WAIVE below.

The Open Enrollment Newsletter provides HSA eligibility details.

The City's HSA contribution will count towards the \$3,450 HSA limit for EE Only and \$6,900 HSA limit for EE + Dependents.

PART C FLEX SPENDING/HEALTH SAVINGS ACCOUNT

ACCOUNT	BIWEEKLY	ANNUAL
FSA MEDICAL	\$ 108.33	Biweekly x 24 pay periods \$ 2600.00
FSA DEPENDENT DAYCARE	\$	Biweekly x 24 pay periods \$
HEALTH SAVINGS	\$	Biweekly x 24 pay periods \$

SELECT TO WAIVE ☐ ALL ☐ FSA MED ☒ FSA DC ☒ HSA

PART D VISION/DENTAL INSURANCE**SELECT AN PLAN, TIER & TAX OPTION OR WAIVE**

PPO VISION	<input checked="" type="checkbox"/> EE ONLY	<input type="checkbox"/> EE -	<input type="checkbox"/> EE - 2 or MORE	<input checked="" type="checkbox"/> Before Tax	<input type="checkbox"/> After Tax
HMO DENTAL Facility #	<input type="checkbox"/> EE ONLY	<input type="checkbox"/> EE -	<input type="checkbox"/> EE - 2 or MORE	<input type="checkbox"/> Before Tax	<input type="checkbox"/> After Tax
PPO DENTAL w/ORTHO	<input type="checkbox"/> EE ONLY	<input type="checkbox"/> EE -	<input type="checkbox"/> EE - 2 or MORE	<input type="checkbox"/> Before Tax	<input type="checkbox"/> After Tax
PPO DENTAL w/o ORTHO	<input type="checkbox"/> EE ONLY	<input type="checkbox"/> EE -	<input checked="" type="checkbox"/> EE - 2 or MORE	<input checked="" type="checkbox"/> Before Tax	<input type="checkbox"/> After Tax

SELECT TO WAIVE ☐ ALL ☐ VISION ☐ HMO DENTAL ☐ PPO W/ORTHO ☐ PPO w/o ORTHO

PART E SUPPLEMENTAL BASIC LIFE INSURANCE (Supplemental Life Insurance is not an Event of Insurability Form)

Basic Life and AD&D for Employee \$50K; Dependent Life for Spouse \$2K; Child(ren) \$1K

SELECT ONE	<input type="checkbox"/> Employee Only	<input checked="" type="checkbox"/> Employee - Dependent(s)	<input type="checkbox"/> WAIVE
AMOUNTS	EMPLOYEE	SPOUSE / DP	CHILDREN
TOTAL	7 AUG	2 AUG	\$
PENDING	\$	\$	\$
BIWEEKLY	\$	\$	\$

CRITERIA
 EMPLOYEE: Max 200%
 E of I required for any increase over 10%
 SPOUSE/DP: Max 50% of Employee
 E of I required for any increase
 CHILDREN: Max 10%
 E of I required for any increase

**Special provisions for
CY2018 open enrollment
only:**

Employees may increase their supplemental life insurance without Evidence of Insurability (E of I) by up to \$50,000 not to exceed a total of \$200,000. Spouses may increase their supplemental life insurance without E of I by up to \$20,000 not to exceed a total of \$20,000. Any increase in amount in excess of these limits is subject to E of I.

CITY HR - BENEFIT SERVICES
Benefits@elpasotexas.govENROLLMENT FORM 2018
NON - UNIFORMINSURANCE EFFECTIVE DATE
JANUARY 1, 2018**PART E - SHORT TERM DISABILITY****SHORT TERM DISABILITY**

To enroll in, or make changes to a Short Term Disability Plan, please meet with the Representative to complete and submit the Short Term Disability Application

PART G - DEPENDENT INFORMATION

(For additional dependents, please complete another form along with your information)

NAME (LAST, FIRST, MIDDLE)	SOCIAL SECURITY #	DATE OF BIRTH	SEX	RELATIONSHIP
Spouse/Domestic Partner <u>St Pierre, Alfred</u>			<u>m</u>	<u>Husband</u>
ACTION: <input checked="" type="checkbox"/> Add <input type="checkbox"/> Delete COVERAGE(S): <input checked="" type="checkbox"/> Health <input type="checkbox"/> Vision <input type="checkbox"/> HMO Dental <input type="checkbox"/> PPO w/ORTHO <input type="checkbox"/> PPO w/o ORTHO <input checked="" type="checkbox"/> Basic Life				
Dependent <u>St Pierre, Cedric Aiden</u>			<u>m</u>	<u>Son</u>
ACTION: <input checked="" type="checkbox"/> Add <input type="checkbox"/> Delete COVERAGE(S): <input checked="" type="checkbox"/> Health <input type="checkbox"/> Vision <input type="checkbox"/> HMO Dental <input type="checkbox"/> PPO w/ORTHO <input type="checkbox"/> PPO w/o ORTHO <input type="checkbox"/> Basic Life				
Dependent <u>St Pierre, Eden Rose</u>			<u>F</u>	<u>Daughter</u>
ACTION: <input checked="" type="checkbox"/> Add <input type="checkbox"/> Delete COVERAGE(S): <input checked="" type="checkbox"/> Health <input type="checkbox"/> Vision <input type="checkbox"/> HMO Dental <input type="checkbox"/> PPO w/ORTHO <input type="checkbox"/> PPO w/o ORTHO <input type="checkbox"/> Basic Life				
Dependent				
ACTION: <input type="checkbox"/> Add <input type="checkbox"/> Delete COVERAGE(S): <input type="checkbox"/> Health <input type="checkbox"/> Vision <input type="checkbox"/> HMO Dental <input type="checkbox"/> PPO w/ORTHO <input type="checkbox"/> PPO w/o ORTHO <input type="checkbox"/> Basic Life				
Dependent				
ACTION: <input type="checkbox"/> Add <input type="checkbox"/> Delete COVERAGE(S): <input type="checkbox"/> Health <input type="checkbox"/> Vision <input type="checkbox"/> HMO Dental <input type="checkbox"/> PPO w/ORTHO <input type="checkbox"/> PPO w/o ORTHO <input type="checkbox"/> Basic Life				
Dependent				
ACTION: <input type="checkbox"/> Add <input type="checkbox"/> Delete COVERAGE(S): <input type="checkbox"/> Health <input type="checkbox"/> Vision <input type="checkbox"/> HMO Dental <input type="checkbox"/> PPO w/ORTHO <input type="checkbox"/> PPO w/o ORTHO <input type="checkbox"/> Basic Life				
Dependent				

PART H - LIFE INSURANCE BENEFICIARIES**LIFE INSURANCE BENEFICIARIES**

To assign, or make any changes to your Beneficiaries for your Supplemental / Basic Life Insurances, please complete and submit a Beneficiary Information Form along with this Enrollment Form. If you do not want to make any changes to your current Beneficiaries, those current assignments will continue until you update them.

PART I - MEDICAL RECORDS RELEASE

I authorize any hospital, physician, dentist, provider, insurance carrier or other entity to give the City, upon request any information covering the health condition of any person included under the coverage(s) whenever the information is considered necessary by the City for proper disposition of the application or of a claim submitted for payment.

SIGNATURE

DATE

12-13-17**PART J - EMPLOYEE AUTHORIZATION**

I hereby authorize deductions from my salary of the amount required, if any, for the insurance indicated. I understand that it is my responsibility to verify that all payroll deductions are correct and to report any discrepancies in deductions on my paycheck to the HR Benefits Services immediately to guarantee proper coverage and contributions.

SIGNATURE

DATE

12-13-17

ATTACHMENT 15

Dearborn  national

Application for Group Insurance

Underwritten by Dearborn National Life Insurance Company

Administrative Offices: Downers Grove, Illinois

☒ New Application ☐ Change

Group #: F022145

Federal Tax ID #: 746000749

Section 1. POLICYHOLDER INFORMATION: Please Type or Print All Information.

Policyholder (full legal name): City of El Paso

Address (not PO box): 300 N Campbell

City: El Paso

State: TX

Zip: 79901

Subsidiaries or Affiliates to be covered: ☐ Yes; or ☒ No (If more than one, indicate on separate sheet and attach to this application)

If Yes: Company Name:

Address (not PO box):

City:

State:

Zip:

Premium is payable on the first of the insurance month unless mutually agreed upon by the Policyholder and the insurance company.

Section 2. GENERAL INFORMATION:

Product Choice (Check all that apply)

Policyholder will contribute:

Requested Effective:

*Replacing Coverage Yes/No:

<input checked="" type="checkbox"/> Group Term Life	<input checked="" type="checkbox"/> AD&D:	<input checked="" type="checkbox"/> 100%; or <input type="checkbox"/> Other: _____ %	1/1/2018	Yes
<input checked="" type="checkbox"/> Supplemental Life	<input type="checkbox"/> AD&D:	<input checked="" type="checkbox"/> 0%; or <input type="checkbox"/> Other: _____ %	1/1/2018	Yes
<input type="checkbox"/> Group Dental:		<input type="checkbox"/> 100%; or <input type="checkbox"/> Other: _____ %		
<input type="checkbox"/> Group Short-Term Disability (STD):		<input type="checkbox"/> 100%; or <input type="checkbox"/> Other: _____ %		
<input type="checkbox"/> Group Long-Term Disability (LTD):		<input type="checkbox"/> 100%; or <input type="checkbox"/> Other: _____ %		
<input type="checkbox"/> Group Stand Alone AD&D:		<input type="checkbox"/> 100%; or <input type="checkbox"/> Other: _____ %		
<input type="checkbox"/> Group Specified Disease:		<input type="checkbox"/> 100%; or <input type="checkbox"/> Other: _____ %		
<input type="checkbox"/> Group Accident:		<input type="checkbox"/> 100%; or <input type="checkbox"/> Other: _____ %		
<input type="checkbox"/> Group Vision:		<input type="checkbox"/> 100%; or <input type="checkbox"/> Other: _____ %		
<input type="checkbox"/> Voluntary Term Life	<input type="checkbox"/> AD&D:	<input type="checkbox"/> 0%; or <input type="checkbox"/> Other: _____ %		
<input type="checkbox"/> Voluntary Group Dental:		<input type="checkbox"/> 0%; or <input type="checkbox"/> Other: _____ %		
<input type="checkbox"/> Voluntary Short-Term Disability (VSTD):		<input type="checkbox"/> 0%; or <input type="checkbox"/> Other: _____ %		
<input type="checkbox"/> Voluntary Long-Term Disability (VLTD):		<input type="checkbox"/> 0%; or <input type="checkbox"/> Other: _____ %		
<input type="checkbox"/> Voluntary Stand Alone AD&D:		<input type="checkbox"/> 0%; or <input type="checkbox"/> Other: _____ %		
<input type="checkbox"/> Voluntary Group Specified Disease:		<input type="checkbox"/> 0%; or <input type="checkbox"/> Other: _____ %		
<input type="checkbox"/> Voluntary Group Accident:		<input type="checkbox"/> 0%; or <input type="checkbox"/> Other: _____ %		
<input checked="" type="checkbox"/> Voluntary Group Vision:		<input checked="" type="checkbox"/> 0%; or <input type="checkbox"/> Other: _____ %	1/1/2018	Yes

*Enclose a copy of each in force policy to be replaced.

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DNL9-S16-0516 TX

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R030116 1 Z6183

Dearborn  National

Underwritten by Dearborn National Life Insurance Company

Application for Group Insurance

Administrative Offices: Downers Grove, Illinois

Section 3. POLICYHOLDER STATEMENT:

The Policyholder or authorized representative (Policyholder) applies for a group insurance policy(s) through Dearborn National Life Insurance Company (Dearborn National).

The Policyholder represents and certifies that:

1. This application must be approved in writing by Dearborn National. Issuing the insurance policy is evidence of approval. Coverage for insureds under the group policy is effective when the insured applies and is approved for coverage by Dearborn National. The Policyholder will not collect premium from an insured who requires medical underwriting until Dearborn National approves the insured's application for coverage; and
2. Dearborn National will issue a policy only if Dearborn National decides that the group is an acceptable risk based on Dearborn National's underwriting practices and procedures; otherwise Dearborn National has no liability except to refund premium. The Policyholder must return to individual insureds any part of the premium paid by those insureds; and
3. The premium rates are contingent, based on the accuracy of insured eligibility data given to Dearborn National by the Policyholder. Misstatements on an insured's application or failure by the Policyholder or insured to report new medical information before an insured's effective date of coverage may cause a change to the coverage or premium rate as of the policy effective date; and
4. The Policyholder and insureds are subject to all the policy terms and provisions and trust agreements, if applicable. They may be amended from time to time; and
5. If the Policyholder does not collect or pay premiums by the premium due date, the policy will terminate at the end of the policy's grace period; and
6. Even with the purchase of a disability policy, the Policyholder may be required to buy disability coverage under a state disability benefit act or law; and
7. The Policyholder will: a) send Dearborn National applications of individual insureds prior to the eligibility date; b) give certificates to all insureds; c) report changes in the insured group to Dearborn National; and d) keep records of insured eligibility.
8. The information given and statements made on this application are complete and correct. Misstatements or omissions of information may affect the validity of any insurance policy issued and cause the denial of an otherwise valid claim.
9. Statements made by the Policyholder are representations and not warranties. No statement made by any insured will be used in any contest unless a copy of the instrument containing the statement is or has been given to the insured or, in case of death or incapacity of the insured, to his beneficiary or personal representative.

This application and the payment of premium are consideration for any master policy and certificates issued. This application is part of any insurance policy issued. The authorized signature on this application is acceptance of the policy terms.



Authorized Signature

12.14.17

Date (Must be signed prior to Effective Date)

Dionne L. Mack, Deputy Director

Print Name and Provide Title

Licensed Resident Agent (if required)

Approved as to form
 Del M. Cortez
 Assistant City Attorney



Underwritten by Dearborn National Life Insurance Company

FICA Tax/W-2 Agreement

Administrative Offices: Downers Grove, Illinois
 Dearborn National FICA Withholding@DearbornNational.com
 Fax (312) 946-3564

Request Effective with Tax Year: W-2: N/A
 (current or future tax year)

FICA Match: N/A
 (New group - current or future tax year)
 (Existing group - future tax year only)

Employer Name: _____ Telephone Number: _____

Contact Person: _____ Fax Number: _____

Employer Tax ID Number (EIN): _____ E-mail address: _____

Group Policy Number(s): _____

This Agreement Applies to:

☐ Both STD and LTD

☐ Long Term Disability Only

☐ Short Term Disability Only

A. W-2 Options for disability income benefits ("sick pay") - Choose Option 1 or Option 2:

W-2 Option may be selected up to November 15th of the current tax year.

☐ **OPTION 1.** Insurer prepares W-2 statements for payees and files Federal and State information returns reporting sick pay.

Employer hereby designates Insurer as its agent for the sole purpose of providing W-2 statements with sick pay information to payees by January 31st of each year, or such other date required by the Internal Revenue Service, and for making information return filings in accordance with Federal and State requirements regarding income tax, social security and Medicare tax. Insurer will use its EIN number on each of these forms. Employer is responsible for providing Insurer with all information necessary for Insurer to file timely and correct statements and returns, including the information necessary to determine the taxable portion of sick pay. The employee contributions made with after tax dollars will determine what portion of sick pay, if any, is excludable from employee's gross income. If Policy terminates, Insurer will continue to provide W-2 statements and make information return filings for sick pay payments on all claims incurred prior to termination of Policy.

NOTE: We will issue W-2's on a continuous basis, until notified differently by the Employer.

☐ **OPTION 2.** Insurer DOES NOT prepare Form W-2 statements for payees and Federal and State information returns reporting sick pay. If this option is chosen, Insurer will provide Employer by January 15th of each year with the information required by Federal law for Employer to prepare W-2s for its employees and file Federal and State information returns.

B. Employer FICA Options with respect to Employer's share of Social Security and Medicare taxes:

FICA Match Option can be selected as of your policy effective date for new groups. If you are an existing group, FICA Match Option can only be selected as of January 1st of the future tax year.

☐ **STANDARD.** Employer retains responsibility for paying the Employer's share of Social Security and Medicare taxes. Insurer will provide Employer with reports containing these amounts on a quarterly basis.

OPTION 1. Insurer pays the Employer's share of Social Security and Medicare taxes and deposits the taxes using the Insurer's EIN.

☐ Employer will not be required to reimburse the Insurer for these amounts. Employer understands that the Employer FICA Match service will result in an increase of premium. If this Option is selected, the Insurer must prepare W-2 statements. Employer must select Option 1 in Section A.

C. General Sick Pay Reporting Requirements

Employer is responsible for providing Insurer with accurate information, including total wages paid employee during the calendar year, the last date the employee worked, and the employee contribution percentage of sick pay premium and whether these contributions were paid with BEFORE or AFTER tax dollars.

Insurer will notify Employer of the payments on which employee taxes were withheld. A weekly report will be sent to the Employer within the time required for Insurer's deposit of these amounts. Quarterly and Annual reports will also be sent to the Employer. Insurer will withhold and make timely deposits of employee Social Security and Medicare taxes.

Under no circumstances does Insurer assume any responsibility for Employer's portion of FUTA taxes or any other payroll or employment related tax, fee, premium or the like, including State disability insurance, State or local occupational tax or any Workers' Compensation tax which may be applicable to the sick pay.

Insurer agrees to withhold and deposit Federal income tax as required by the IRS or as requested by the employee on Federal W-4S form.

This Agreement will continue until replaced by a new Agreement, the Policy terminates and/or sick pay payments are discontinued. This Agreement replaces any prior dated Agreements.

COMPLETED BY - EMPLOYER:

Print Name: _____ Signature: N/A

Title: _____ DATE / /

Email: _____

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Dearborn  national

Group Transmittal

Underwritten by Dearborn National Life Insurance Company

To be submitted with the Group Application

City of El Paso

F022145

Policyholder

Group Number

1. Contact Information

Mary Michel

Administrative Contact (Daily Administration)

Fax Number

915-212-1267

MichelML@elpasotexas.gov

Phone Number - Administrative Contact

Email Address

Linda Thomas

ThomasLB@elpasotexas.gov

Group Administrator (Plan changes, etc.)

Email Address

Amber McCleary

McClearyAR@elpasotexas.gov

Billing Contact (Billing Issues)

Email Address

PO Box 1890

Billing Address

El Paso

TX

79901

City

State

Zip

2. Benefits & Eligibility - As Indicated in your proposal.Waiting Periods
Subject to the
actively at work
provision contained
in your proposal

New Hires: 30

☒ Days☐ Months☐ YearsDo you have any current employees that need to fulfill the waiting period: ☒ Yes ☐ No

Employees are effective*:

☒ 1st day of the insurance month following completion of the eligibility waiting period☐ The day following completion of the eligibility waiting period☐ Other _____Does any class have a different waiting period: ☐ Yes ☒ No

If YES, Please describe in Special Request Section

Does the waiting period apply to all coverages: ☒ Yes ☐ No

If NO, Please describe in Special Request Section

* If medical underwriting is required, an individual's coverage will not take effect until the date the application is approved by Dearborn National Life Insurance Company. The effective date will be delayed for an employee who is not actively at work for a dependent whose activities are limited due to sickness or injury on the date coverage would otherwise take effect.

Minimum Hours 30 (standard is 30 hours per week)

Annual Enrollment

☒ Life / AD&D / Accident / Critical Illness /
Disability and/or Vision

From 10/1

To 10/31

ie: (9/1 to 9/30)

☐ Dental

From _____

To _____

ie: (9/1 to 9/30)

☐ Not ApplicablePrior Credit For
RehiresIs there prior employment credit for rehired employees? ☐ Yes ☒ No

If YES, credit will be given for employees rehired within 6 months, unless otherwise approved by The Company.

Does the credit for rehires apply to all coverages: ☐ Yes ☐ No

If NO, Please describe in Special Request Section

Other

Do you have any Canadian Employees that work in the United States: ☐ Yes ☒ NoDo you intend to cover any US Citizens working outside of the United States: ☐ Yes ☒ NoDo you intend to cover any non-US citizens who work within the United States: ☒ Yes ☐ No

Basic Dependent Life Policyholder will contribute:

☐ NA☐ Other☒ 0%; or

_____%

Spouse Premium

If applicable, calculate spouse premium:

☐ Based on Employee Date of Birth☒ Based on Spouse Date of BirthDefinition of
Earnings☒ As stated in the proposal☐ *Other _____

*If "Other" is selected, underwriting approval is required and the proposed rates are subject to change.

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**Group Transmittal**

Underwritten by Dearborn National Life Insurance Company

To be submitted with the Group Application

City of El Paso
PolicyholderF022146
Group Number**3. Group Administration**

Certificates Email policy documents and certificates to:

- ☒ Group Administrator ☒ Administrative Contact ☐ Billing Contact
☒ Broker marc@teb-inc.com ☒ Other brenda@teb-inc.com
☒ Other randy.mcgraw@hubinternational.com ☐ Other _____

Disability/Accident Coverage If the employee pays all or a portion of the premium, how is it paid: ☐ Pre-Tax ☐ Post-Tax ☒ Not ApplicableFor STD Coverage: ☐ Benefits begin after sick leave, vacation, salary, PTO end ☐ Benefits begin immediately after the STD elimination periodDo all eligible employees participate in Social Security: ☐ Yes ☐ No If No, Explain _____Do all eligible employees participate in Medicare: ☐ Yes ☐ No If No, Explain _____Mailing Address for Sick Pay Reports: N/AForm 5500, Schedule A Does this group have 100 or more eligible employees: ☒ Yes ☐ NoIf YES, what is the benefit plan month, day, and year N/A

Information will be sent to the Group Administrator as listed in Section 1 above, unless otherwise state below.

4. BillingBilling Options
for groups with:

- 2-149 Lives ☐ List Billed Only (We will provide an electronic bill with each employee's cost itemized with an option to pay on-line)
 150-499 Lives ☐ List Billed (We will provide an electronic bill with each employee's cost itemized with an option to pay on-line)
☐ Self Administered, Paper (You provide to us the number of lives, volume, and premium by coverage, on a monthly basis.)
 500+ Lives ☒ Self Administered, Paper (You provide to us the number of lives, volume, and premium by coverage, on a monthly basis.)
 *Note: Dental coverage is always List Billed regardless of size.

Billing Set Up
For List Billing Only

Alphabetically

☐ You will receive one bill, with one total. Employees will be listed alphabetically.

By Account*

☐ You receive multiple bills. Employees are separated by accounts. You can pay with multiple checks.

By Location*

☐ You receive one bill, with subtotals and a grand total. Employees are separated by locations.

*Please indicate billing divisions on the enrollment census. Also include additional billing addresses in the special requests section of this form

Billing Method ☒ Monthly ☐ Quarterly

Premium is payable on the first of the month unless mutually agreed upon otherwise and explained in the special requests section of this form

- ☐ TPA (Third Party Administrator)/Entity-The following will apply for TPA or any entity, other than the employer, administering billing and premium collection on behalf of the employer.
 Dearborn National does not contract with the TPA/Entity directly. The Employer is required to complete an Employer Representative Authorization Form if a TPA/Entity is selected. Please provide name: _____

5. Special Requests - Attach additional pages if needed.

City of El Paso is account 1; El Paso Water Utilities is account 2.

Dearborn  National

Group Transmittal

Underwritten by Dearborn National Life Insurance Company

To be submitted with the Group Application

City of El Paso
PolicyholderF022145
Group Number**6. ERISA (SPD)**

Applicant is subject to ERISA?

☐ Yes☒ No

If this plan is an "employee welfare plan," as defined in Section 3(1) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), it is subject to certain requirements including those relating to reporting and disclosure and fiduciary responsibility. The plan must be established and maintained pursuant to a written instrument that designates a plan administrator, as defined in Section 3(16)(A) of ERISA, who has authority to control and manage the operation and administration of the plan.

You, as the plan Administrator or authorized representative, have selected Dearborn National Life Insurance Company ("Dearborn National") as the claims administrator of your plan, and you consent to the delegation of such authority to Dearborn National. You acknowledge that, in some instances, Dearborn National may delegate some or all of this authority to a third party administrator serving as the claims administrator and you consent to the delegation of such authority to a third party administrator.

Dearborn National cannot be named as the plan administrator and is not responsible for the compliance of your plan with respect to any legal or tax matters, and it cannot offer any legal or tax advice. You are responsible for compliance with all applicable laws, including benefits, employment, and tax laws, relating to the sponsorship and administration of your plan. Dearborn National's obligations to you are governed solely by the terms of the applicable policy provisions, except as otherwise required by law.

ERISA requires the distribution of SPD's for the majority of employee benefit plans. If as plan administrator of your employee benefit plan, you would like Dearborn National to provide you with the required documents to create your plan's SPD, including certain additional documents such as a Statement of ERISA Rights and Claims Procedure, please indicate "Yes" and provide the following information:

☐ Yes ☒ No If Yes, provide the following:

Plan Year Ends Annually On (Month/Day)**

Plan Number assigned to each line of coverage: (will be 3 digits starting with "5")**

Life/AD&D _____	STD _____	LTD _____	Dental _____
Vol Life _____	Vol STD _____	Vol LTD _____	Vol Dental _____
AD&D _____	Accident _____	Critical Illness _____	Vision _____
Vol AD&D _____	Vol Accident _____	Vol Critical Illness _____	Vol Vision _____

Plan Administrator**

☐ Same as Policyholder ☐ Other, complete below

Name/Title _____ Phone _____

Address (not a P.O. Box) _____

Agent for Service of Process if different from plan administrator**

Name/Title _____ Phone _____

Address (not a P.O. Box) _____

Plan Trustees (if applicable)

Name/Title _____ Phone _____

Address (not a P.O. Box) _____

Union Contracts/Collective Bargaining Agreements (if applicable)

Union Contracts/Collective Bargaining Agreements (if applicable)

*If you are not certain whether your plan is governed by ERISA, please visit the Department of Labor website for more information at: <http://www.dol.gov/dol/topic/health-plans/erisa.htm>
 **Required Fields

7. Signature - This section must be signed.

 Group Administrator's Signature (or other employee authorized to make plan changes)
Date 12.14.17
Deputy City Manager
 Typed or Printed Name

Products and services marketed under the Dearborn National® brand and the star logo are underwritten and/or provided by Dearborn National Life Insurance Company (Dearborn National Life Insurance Company, Inc., 1000 Dearborn National Drive, Dearborn, MI 48124, U.S.A.) in all states (excluding New York, the District of Columbia, the United States Virgin Islands, and Puerto Rico).

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R040317 | 28275

Approved go to form
 by Mr. Carter
 Kenneth A. Carter Attorney

ATTACHMENT 16

Dearborn National[®] Life Insurance Company

Administrative Office:
1020 31st Street
Downers Grove, IL 60515-5591

(A stock life insurance company, herein called the "We", "Us" or "Our")

Policyholder: CITY OF EL PASO
Policy Number: F022145-0001
Policy Effective Date: January 1, 2018
Anniversary Date: January 1

We agree with the *Policyholder* to insure certain eligible *Employees* of the *Policyholder*. We promise to pay benefits for loss covered by the *Policy* in accordance with its provisions. The *Policyholder* should read this *Policy* carefully and contact Dearborn National[®] Life Insurance Company promptly with any questions.

Policyholder means the *Employer* to whom the *Policy* is issued and who sponsored the coverage for its *Employees*.

Employer means the *Policyholder* and includes any division, subsidiary, or affiliated company named in the *Policy*.

POLICY EFFECTIVE DATE AND TERM


The *Policy* takes effect on the *Policy Effective Date* stated above subject to any participation requirement stated in the *Policy*. All insurance periods will be computed from that date. The *Policy* remains in force for the period for which premium has been paid. It may be renewed for further successive periods by payment of premium as stated in the *Policy*.

All periods of insurance begin and end at 12:01 A.M., Standard Time, at the *Policyholder's* address as stated in the *Policy*, and on the *Application*.

Signed for Dearborn National Life Insurance Company



Secretary



President

Basic & Supplemental Group Term Life Insurance Policy
with
Accidental Death & Dismemberment and Dependent Life Insurance Benefits
Non-Participating

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<i>Additional Provisions</i>	<i>4</i>
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<i>Application.....</i>	<i>Attached</i>

ATTACHMENTS:

- Master Application
- Certificate of Insurance

PREMIUM

How is the initial premium calculated?

Initial life and Dependent Life insurance premium is calculated in accordance with the rates set forth on the attached Rate Addendum.

When is premium paid?

The *Policy* is issued in consideration of the payment in advance of premium on the premium due date indicated on the *Application*. Payment must be made by the premium due date as shown on the *Application*.

If an addition, termination or change in insurance takes place other than on a regular due date, any premium adjustment will take effect on the next due date.

Is premium payable while an Insured receives benefits?

We will waive premium for an *Insured Employee* in accordance with the *Waiver of Premium* provision of the *Policy*.

Is there a grace period for premium payment?

We will allow a grace period of 60 days for the payment of any premiums due except the first. Insurance coverage shall continue in force during the grace period unless the *Policyholder* has given *Us* advance written notice of cancellation in accordance with the terms of this *Policy*. If premium is not received by the end of the grace period, this *Policy* will terminate as of the last date for which premium was paid.

The *Policyholder* is liable for premium due on coverage provided during the grace period.

If *We* receive written notice during the grace period that the *Policy* is to be canceled, *We* will cancel it as of the later of:

1. the date requested in the cancellation notice; or
2. the date *We* receive such notice. The *Policyholder* must pay a pro rata premium for any coverage provided during the grace period.

PREMIUM RATE GUARANTEE

What is the initial premium rate guarantee?

A change in premium rates will not take effect before January 1, 2023. However, *We* may change premium rates if the risk assumed changes. Premium rates may change if the following occurs:

1. a change in the *Policy* design;
2. a change in the terms of the *Policy*;
3. addition or deletion of a division, subsidiary or affiliated company;
4. a change in the number of *Insureds* by 10% or more from the number of *Insureds* on the initial Effective Date;
5. a change in the laws or regulations or other government action which applies to the *Policy*;
6. for reasons other than 1-5 above such as but not limited to a change in factors bearing on the risk assumed.

The *Policyholder* must furnish notice and documentation satisfactory to *Us* within 31 days of the occurrence of any event which would cause a change in rates as described above. If the *Policyholder* fails to provide such timely notice, *We* will apply new rates retroactively to the date of the event.

We will notify the *Policyholder* in writing at least 60 days in advance of any premium rate changes. A change may take effect on an earlier date if both the *Policyholder* and *We* agree.

POLICY TERMINATION

Who may cancel the Policy or a plan under the Policy?

The *Policy* or a plan under the *Policy* can be canceled by the *Policyholder* with 31 days written notice delivered to *Us*. This *Policy* will terminate for any of the following reasons:

1. If the *Policyholder* fails to pay any premium within the 60-day Grace Period, this *Policy* will terminate in accordance with the terms set forth in the Grace Period provision.
2. We may terminate this *Policy* on any premium due date if:
 - a. coverage is *Contributory* and less than 25% of the eligible *Employees* participate; or
 - b. coverage is *Noncontributory* and less than 100% of the eligible *Employees* participate; or
 - c. the *Policyholder* fails to perform any of its obligations that relate to the *Policy*; or
 - d. the *Policyholder* does not promptly provide *Us* with information that is reasonably required; or
 - e. fewer than 2 *Employees* are *Insured* under the *Policy*.

If *We* cancel the *Policy*, for reasons other than the *Policyholder's* failure to pay premium, a written notice will be delivered to the *Policyholder* at least 60 days prior to the cancellation date.

ADDITIONAL PROVISIONS

What happens if an inadvertent error occurs?

Clerical error or omission by *Us* to the *Policyholder* will not:

1. Prevent an *Employee* from receiving coverage, if he is entitled to coverage under the terms of the *Policy*; or
2. Cause coverage to begin or coverage to continue for an *Employee* when the coverage would not otherwise be effective.

If the *Policyholder* gives *Us* information about an *Employee* that is incorrect, *We* will:

1. Use the facts to decide whether the *Employee* has coverage under the *Policy* and in what amounts; and
2. Make a fair adjustment of the premium.

Will certificates be issued?

We will deliver certificates of insurance to the *Policyholder* for issuance to each *Insured Employee*. The *Certificates* will describe the benefits, to whom they are payable, the *Policy* limitations and where the *Policy* may be inspected.

What is considered to be the entire contract?

This entire *Policy* consists of:

1. all *Policy* provisions and any amendments and/or attachments issued;
2. the *Certificate of Coverage*;
3. the *Policyholder's* signed Application; and
4. the *Employee's* signed enrollment forms.

RATE ADDENDUM*(All Rates Per \$1,000 Per Month unless otherwise stated)***Class 01, 02, 03, 04 Term Life: \$0.043****Class 01, 02, 03, 04 Supplemental Spouse Life: \$0.165****Class 01, 02, 03, 04 Dependent Life (per dependent unit): \$0.31****Class 01, 02, 03, 04 Supplemental Child Life: \$0.100****Class 02, 03, 04 Accidental Death & Dismemberment: \$0.020****Class 01, 02, 03, 04 Supplemental Life:**

Age Range	Rate
Under 25	\$0.045
25 to 29	\$0.054
30 to 34	\$0.072
35 to 39	\$0.081
40 to 44	\$0.099
45 to 49	\$0.153
50 to 54	\$0.225
55 to 59	\$0.423
60 to 64	\$0.648
65 to 69	\$1.143
70 and Over	\$1.854

STATE SUPPLEMENT

The following policies apply only to those individuals in your group insurance program who reside in the referenced states.

Arizona and Maine

Except as otherwise permitted by law, we will not disclose collected personal information about an individual to a nonaffiliated third party with whom we jointly offer products without giving the individual an opportunity to tell us that he or she does not want us to share his or her personal information.

Minnesota and Montana

Except as otherwise permitted by law, we will not disclose collected personal information about an individual to a nonaffiliated third party with whom we jointly offer products without obtaining the individual's written authorization.

Montana

Upon written request, an individual who has authorized the collection of health information is entitled to receive a record of Dearborn National's disclosures of any of his medical record information made within the preceding 3 years.

Oregon

An individual has the right to authorize disclosure of his or her personal information to an insurance company. An Oregon resident can exercise this right by requesting an authorization form in writing. Our address is:

Dearborn National® Life Insurance Company
1020 31st Street, Downers Grove, IL 60515

**IMPORTANT INFORMATION ABOUT COVERAGE UNDER THE
TEXAS LIFE, ACCIDENT, HEALTH AND HOSPITAL SERVICE INSURANCE GUARANTY ASSOCIATION**
(For Insurers declared insolvent or impaired on or after September 1, 2011)

Texas law establishes a system to protect Texas policyholders if their life or health insurance company fails. The Texas Life and Health Insurance Guaranty Association ("the Association") administers this protection system. Only the policyholders of insurance companies that are members of the Association are eligible for this protection which is subject to the terms, limitations, and conditions of the Association law. (The law is found in the Texas Insurance Code, Chapter 463.)

It is possible that the Association may not protect all or part of your policy because of statutory limitations.

Eligibility for Protection by the Association

When a member insurance company is found to be insolvent and placed under an order of liquidation by a court or designated as impaired by the Texas Commissioner of Insurance, the Association provides coverage to policyholders who are:

- Residents of Texas (regardless of where the policyholder lived when the policy was issued)
- Residents of other states, ONLY if the following conditions are met:
 1. The policyholder has a policy with a company domiciled in Texas;
 2. The policyholder's state of residence has a similar guaranty association; and
 3. The policyholder is not eligible for coverage by the guaranty association of the policyholder's state of residence.

Limits of Protection by the Association

Accident, Accident and Health, or Health Insurance:

- For each individual covered under one or more policies: up to a total of \$500,000 for basic hospital, medical-surgical, and major medical insurance, \$300,000 for disability or long term care insurance, and \$200,000 for other types of health insurance.

Life Insurance:

- Net cash surrender value or net cash withdrawal value up to a total of \$100,000 under one or more policies on any one life; or
- Death benefits up to a total of \$300,000 under one or more policies on any one life; or
- Total benefits up to a total of \$5,000,000 to any owner of multiple non-group life policies.

Individual Annuities:

- Present value of benefits up to a total of \$250,000 under one or more contracts on any one life.

Group Annuities:

- Present value of allocated benefits up to a total of \$250,000 on any one life; or
- Present value of unallocated benefits up to a total of \$5,000,000 for one contractholder regardless of the number of contracts.

Aggregate Limit:

- \$300,000 on any one life with the exception of the \$500,000 health insurance limit, the \$5,000,000 multiple owner life insurance limit, and the \$5,000,000 unallocated group annuity limit.

These limits are applied for each insolvent insurance company.

Insurance companies and agents are prohibited by law from using the existence of the Association for the purpose of sales, solicitation, or inducement to purchase any form of insurance. When you are selecting an insurance company, you should not rely on Association coverage. For additional questions on Association protection or general information about an insurance company, please use the following contact information.

Texas Life and Health Insurance Guaranty Association
515 Congress Avenue, Suite 1875
Austin, Texas 78701
800-982-6362 or www.txlifega.org

Texas Department of Insurance
P.O. Box 149104
Austin, Texas 78714-9104
800-252-3439 or www.tdi.texas.gov



Rev. 12/2015

FACTS	WHAT DOES DEARBORN NATIONAL® DO WITH YOUR PERSONAL INFORMATION?
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Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
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What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> • Social Security number and payment history • Transaction history and employment information • Medical information and insurance claim history <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p>
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How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Dearborn National chooses to share; and whether you can limit this sharing.
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Reasons we can share your personal information	Does Dearborn National share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	Yes	No
For joint marketing with other financial companies	Yes	No
For our affiliates' everyday business purposes— information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes— information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions	Go to www.dearbornnational.com
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Other important information
<p>Who is providing this notice?</p> <p>Dearborn National brand companies:</p> <ul style="list-style-type: none"> ▪ Dental Network of America®, LLC ▪ Dearborn National® Life Insurance Company ▪ Dearborn National® Life Insurance Company of New York

Products and services marketed under the Dearborn National® brand and the star logo are underwritten and/or provided by Dearborn National® Life Insurance Company (Downers Grove, Illinois) which is not licensed in and does not solicit business in New York; in New York, the company is Dearborn National® Life Insurance Company of New York (Pittsford, New York). Dental Network of America®, LLC is an administrator for group dental claims. DenteMax®, LLC is a dental provider network. Products and services and availability vary by state and company, and are solely the responsibility of each affiliate.

Who we are**Who is providing this notice?**

The Dearborn National brand companies. (See "Other important information" below for the list of companies.)

What we do**How does Dearborn National protect my personal information?**

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

Access to your information is limited to employees who need it in their jobs. If a company working for us has access, it is required to protect it.

How does Dearborn National collect my personal information?

We collect your personal information, for example, when you

- apply for insurance or pay insurance premiums
- file an insurance claim or provide employment information
- give us your contact information
- We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.

Why can't I limit all sharing?

Federal law gives you the right to limit only

- sharing for affiliates' everyday business purposes—information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing.

Definitions**Affiliates**

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- Health Care Service Corporation, a Mutual Legal Reserve Company
- DenteMax®, LLC

Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- Dearborn National does not share with nonaffiliates so they can market to you

Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- Our joint marketing partners include categories of companies such as insurance companies and brokers.

Other important information

For Insurance Customers in AZ, CA, CT, GA, IL, ME, MA, MN, MT, NC, NJ, NV, OH, OR and VA only: The term "information" as used in this part means personal information that is obtained in an insurance transaction. We may give your information to government officials, including insurance officials, law enforcement, and to group policy holders about claim experience, or to auditors, or as you may authorize, or as the law allows or requires. We may give your information to insurance support entities that may keep it or give it to others. We may share medical information and other information so we can learn if you qualify for coverage, to process claims, or to prevent fraud, or if you authorize us to do so.

To see your information, write to Dearborn National, Administrative Office, 1020 31st Street, Downers Grove, IL 60515. You must state your full name, address, the name of the insurance company, policy number (if applicable) and the information you want. If you think any information we have is wrong, you may ask us to correct it. We then will let you know what actions we will take. If you do not agree with the actions we take, you may send us a concise statement explaining the basis for your concern or dispute about the information, and we will place that statement in our file with the information.

For California Insurance Customers only: We will share information about you only as permitted by California law. We will not share personal information we collect about you with affiliated or nonaffiliated third parties except if permitted by law, or with your consent, or to the extent necessary to administer your insurance coverage.

For MA Insurance Customers only: You may ask in writing for the specific reasons we made an adverse underwriting decision.

For VT Insurance Customers only: We will share information about you only as permitted by Vermont law. We will not share personal information we collect about you with affiliated or nonaffiliated third parties except if permitted by law, or with your consent, or to the extent necessary to administer your insurance coverage.

ATTACHMENT 17

Term Life and AD&D Insurance

Employee Benefit Booklet

Dearborn  National[®]

CITY OF EL PASO

F022145-0001

Class 1-04

Products and services marketed under the Dearborn National[®] brand and the star logo are underwritten and/or provided by Dearborn National[®] Life Insurance Company (Downers Grove, IL) in all states (excluding New York), the District of Columbia, the United States Virgin Islands, the British Virgin Islands, Guam and Puerto Rico.

01/02/2018

Dearborn National[®] Life Insurance Company

Administrative Office:
1020 31st Street
Downers Grove IL 60515-5591

(A stock life insurance company, herein called the "We" "Us" or "Our")

Having issued Group Policy No. F022145-0001

(herein called the Policy)

to

CITY OF EL PASO

(herein called the *Policyholder*)

GROUP INSURANCE CERTIFICATE

CERTIFIES that *You* are insured, provided that *You* qualify under the ELIGIBILITY AND EFFECTIVE DATES provision, become insured and remain insured in accordance with the terms of the Policy. *Your* insurance is subject to all the definitions, limitations and conditions of the Policy, and it takes effect as stated in the ELIGIBILITY AND EFFECTIVE DATES provision.

This Certificate describes *Your* eligibility for benefits and the terms and provisions of the Policy. It replaces and cancels any other Certificate previously issued to *You* under the Policy.

If the terms and provisions of the Group Insurance Certificate (issued to *You*) are different from the policy (issued to the *Policyholder*), the Policy will govern. *Your* coverage may be canceled or changed in whole or in part under the terms and provisions of the Policy.

READ YOUR CERTIFICATE CAREFULLY

Signed for Dearborn National Life Insurance Company



Secretary



President

Death Benefits will be reduced if an accelerated death benefit is paid.

DISCLOSURE: The Accelerated Death Benefit offered under this Policy is intended to qualify for favorable tax treatment under the Internal Revenue Code of 1986. If the Accelerated Death Benefit qualifies for such favorable tax treatment, the benefits will be excluded from the insured Employee's income and not subject to federal taxation. Tax laws relating to Accelerated Death Benefits are complex. The insured Employee is advised to consult with a qualified tax advisor about circumstances under which he or she could receive the Accelerated Death Benefit excludable from income under federal law.

Receipt of the Accelerated Death Benefit payment may affect the insured Employee, his or her spouse, or his or her family's eligibility for public assistance such as medical assistance (Medicaid), Aid to Families with Dependent Children (AFDC), Supplementary Social Security Income (SSI), and drug assistance programs. The insured Employee is advised to consult with a qualified tax advisor and with social service agencies concerning how receipt of such payment will affect the insured Employee, his or her spouse, or his or her family's eligibility for public assistance.

00124TX

**Basic & Supplemental Group Term Life Insurance Certificate with
Accidental Death & Dismemberment and Dependent Life Insurance Benefits**

Non-Participating

FDL1-604-412

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SCHEDULE OF BENEFITS

POLICYHOLDER: CITY OF EL PASO
POLICY NUMBER: F022145-0001
EFFECTIVE DATE: January 1, 2018
ANNUAL ENROLLMENT PERIOD: 10/1-10/31

ELIGIBILITY: Class 04 All other full-time Employees of the Policyholder working in the United States of America who are Actively at Work for the Policyholder and who have completed the Eligibility Waiting Period are eligible for the insurance. A full-time *Employee* is one who regularly works a minimum of 30 hours per week for the *Policyholder*. Part-time, seasonal and temporary *Employees* of the *Policyholder* are not eligible.

Eligibility Waiting Period:	Current Employees:	First of the month following 30 Days of continuous, full-time active work
	New Employees:	First of the month following 30 Days of continuous, full-time active work
Policyholder Contribution:	Basic Life & AD&D	100% of premium
	Dependent Life	100% of premium
	Supplemental Life AD&D	0% of premium

GROUP TERM LIFE INSURANCE

Employee Basic Life Benefit Amount \$50,000

Employee Supplemental Life Benefit Amount Incremental selection from a minimum of \$10,000 to a maximum of \$200,000 in increments of \$10,000

Guarantee Issue Benefit Limit

Employee Basic: \$50,000
Employee Supplemental: \$200,000
Spouse Basic: \$2,000
Spouse Supplemental: \$20,000

Amounts in excess of the Guarantee Issue Benefit Limit are subject to satisfactory *Evidence of Insurability*

Reduction of Benefits *Supplemental Group Term Life* benefits reduce by 35% of the original amount at age 65 and further reduce by 50% of the original amount at age 70, by 70% of the original amount at age 75. Benefits terminate at retirement.

Waiver of Premium

Waiver Eligibility	Totally Disabled prior to age 60 without interruption from the last date worked for at least 6 months
Insured Eligibility	<i>Employee</i>
Maximum Waiver of Premium Duration	age 70

Accelerated Death Benefit (ADB)

Benefit Amount	75% Basic and <i>Supplemental</i> Term Life Insurance In force
Insured Eligibility	<i>Employee</i>

Minimum Covered Life Insurance Amount	\$15,000
Maximum ADB Payment	\$500,000
Minimum ADB Payment	\$7,500

Portability

Benefit Eligibility	Basic and <i>Supplemental Life</i>
Insured Eligibility	<i>Employee & Spouse</i>
Portability Benefit Duration	Age 65
Maximum Portable Amount	\$250,000

DEPENDENT TERM LIFE INSURANCE

Spouse Benefit Amount Basic: \$2,000

Includes *Registered Domestic Partner*

Spouse Benefit Amount Supplemental: Incremental selection from a minimum of \$10,000 to a maximum of \$100,000 in increments of \$10,000, not to exceed 50% of Your amount.

Includes *Registered Domestic Partner*

Child(ren) Benefit Amount Basic:

\$1,000 - Age live birth to 15 days

\$1,000 - age 15 days to 6 months

\$1,000 - age 6 months to 26 years

Child(ren) Benefit Amount Supplemental:

\$2,000 - Age live birth to 15 days

\$2,000 - age 15 days to 6 months

Incremental selection from a minimum of \$2,000 to a maximum of \$10,000 in increments of \$2,000 - age 6 months to 26 years

GROUP ACCIDENTAL DEATH & DISMEMBERMENT

Employee Basic AD&D Coverage Amount \$50,000

Seat Belt Benefit 10% of *Employee Coverage Amount*, to a maximum of \$25,000

Air Bag Benefit 5% of *Employee Coverage Amount* to a maximum of \$5,000

Repatriation Benefit Actual costs to a maximum of \$5,000

Education Benefit

Benefit Amount 25% of *Employee Coverage Amount*, to a maximum of \$5,000 per year

Maximum Benefit Duration Benefit payable for a maximum of four (4) years

Eligible Dependents Age live birth to age 25 years

Day Care Benefit Amount

Benefit Amount 25% of *Employee Coverage Amount* to a maximum of \$5,000 per year

Maximum Benefit Duration Three (3) Years

Maximum Spouse Training Benefit \$10,000

Public Conveyance Benefit *Employee Coverage Amount* to a maximum of \$200,000

Felonious Assault Benefit *Employee Coverage Amount* to a maximum of \$25,000

ELIGIBILITY AND EFFECTIVE DATE PROVISIONS

Who is eligible for this insurance?

The eligibility for this insurance is as indicated in the Schedule of Benefits.

The *Eligibility Waiting Period* is set forth in the Schedule of Benefits.

00001

When does Your Noncontributory insurance become effective?

Noncontributory means the *Policyholder* pays 100% of the premium for this insurance.

Current Employees

If *You* are an eligible *Employee* on the Policy effective date, *Your Noncontributory* coverage under the Policy will become effective on the date indicated in the Schedule of Benefits, provided *You* are *Actively at Work* on that day.

New Employees

If *You* become an eligible *Employee* after the Policy effective date, *Your Noncontributory* coverage under the Policy will become effective on the date indicated in the Schedule of Benefits, provided *You* are *Actively at Work* on that day.

If *You* waive all or a portion of *Your Noncontributory* coverage and choose to enroll at a later date, *You* are considered a late applicant and must furnish *Evidence of Insurability* satisfactory to *Us* before coverage can become effective. Coverage will become effective on the date *We* determine that the *Evidence of Insurability* is satisfactory and *We* provide written notice of approval.

You must be *Actively at Work* for coverage under the Policy to become effective.

00003

When does Your Contributory insurance become effective?

Contributory means *You* pay all or a portion of the premium for this insurance coverage.

You may apply for *Supplemental* insurance coverage during the *Annual Enrollment Period* as indicated in the Schedule of Benefits. *Your* coverage will become effective as follows, provided *You* are *Actively at Work* on that date:

Your Contributory coverage for amounts up to the Guarantee Issue Benefit Limit will become effective on the latest of the following dates provided *You* are *Actively at Work* on that date:

1. If *You* enroll for coverage prior to the Policy effective date and *Evidence of Insurability* is not required, the Policy effective date;
2. If *You* enroll for coverage within 31 days of *Your* eligibility date, on the first of the month that falls on or next follows the date *You* sign the *Enrollment Form*;
3. If *You* do not enroll for *Supplemental* coverage within 31 days after *Your* eligibility date, *You* must wait until the next *Annual Enrollment Period* to apply, unless *You* qualify because of a *Change in Family Status*.
 - a. Initial requests for coverage or requests for changes to existing coverage made during the *Annual Enrollment Period* will become effective on the Policy anniversary date.
 - b. Coverage requested within 31 days of a *Change in Family Status* will become effective on the first of the month that falls on or next follows the date *You* sign the *Enrollment Form*.

You must be *Actively at Work* for coverage under the Policy to become effective.

Enrollment Form means the application *You* complete to apply for coverage under the Policy.

00004-B

Change in Family Status

If *You* experience a *Change in Family Status*, *You* may enroll for *Supplemental* coverage, apply for additional coverage, or request changes to *Your* current *Supplemental* benefit program(s) without providing *Evidence of Insurability*, provided the benefit change is consistent with the *Change in Family Status*. *You* must submit the appropriate *Enrollment Form* within 31 days of the *Change in Family Status*.

Change in Family Status means changes in the status of *Your* family, including but not limited to:

1. *You* get married or execute a *Domestic Partner* affidavit;
2. *You* have a *Dependent Child*, or *You* adopt or become the legal guardian of a *Dependent* child;
3. *Your Spouse* dies or *You* become divorced;
4. *Your Dependent Child* becomes emancipated or dies;
5. *Your Spouse* is no longer employed, resulting in a loss of group insurance, or;
6. *You* have a change in classification which results in *You* changing from part-time to full-time, or full-time to part-time.

00005

When is Evidence of Insurability required?

Evidence of Insurability is required if:

1. *You* are a late applicant, which means *You* enroll for insurance more than 31 days after *Your* eligibility date or *You* were eligible to enroll under the *Prior Policy* and did not enroll before the expiration of the time allowed to enroll; or
2. *You* voluntarily canceled *Your* insurance and choose to reapply; or
3. *Your* coverage amount exceeds the Guarantee Issue Benefit Limit as set forth in the Schedule of Benefits; or
4. *You* enroll for additional coverage that is greater than the next higher coverage option during an *Annual Enrollment Period*.

Receipt of premium before *We* have approved *Evidence of Insurability* will not constitute acceptance and does not guarantee issuance of any benefit amount prior to *Our* approval.

Evidence of Insurability means a statement of *Your* medical history which *We* will use to determine if *You* are approved for coverage. *Evidence of Insurability* will be provided at *Our* expense if *You* enroll within 31 days after *Your* eligibility date. *Evidence of Insurability* will be provided at *Your* expense if *You* are a late applicant, which means *You* enroll for insurance more than 31 days after *Your* eligibility date.

Evidence of Insurability Form means a form provided or approved by *Us* on which *You* provide a statement of *Your* medical history.

You may obtain an *Evidence of Insurability Form* from the *Policyholder*.

00006-B

What is an Annual Enrollment period?

Unless otherwise specified, *Annual Enrollment Period* means a period of time during which eligible *Employees* may apply for *Supplemental* life coverage or request changes to their life benefit plan. The *Annual Enrollment Period* is shown on the *Schedule of Benefits*.

Eligible *Employees* may enroll for coverage, apply for additional coverage, or request changes to their current *Supplemental* benefit program(s) only during the *Annual Enrollment*, unless they qualify because of a *Change in Family Status*.

Employees hired after an *Annual Enrollment* period may enroll within 31 days after their eligibility date. If a new *Employee* does not elect *Supplemental* coverage within that time period, he must wait for the next *Annual Enrollment* to enroll unless he qualifies because of a *Change in Family Status*.

Initial requests for coverage or requests for changes to existing coverage made during the *Annual Enrollment* period will become effective on the *Policy* anniversary date.

00007

If You are not Actively at Work, when does coverage become effective?

If *You* are absent from *Active Work* on the date *Your* coverage would otherwise become effective; and *Your* absence is caused by an *Injury*, illness or layoff,

Your effective date for any initial coverage or increased coverage will be deferred until the first day *You* return to *Active Work*.

However, *You* will be considered *Actively at Work* on any day that is not *Your* regularly scheduled work day (including but not limited to a weekend, vacation or holiday) if *You* were *Actively at Work* on the immediately preceding scheduled work day and *You* were:

1. not *Hospital Confined*; or;
2. disabled due to an *Injury* or *Sickness*.

00008

What happens if We are replacing a Prior Policy? Is continuity of coverage provided?

If *You* were insured for coverage under the *Prior Policy* on the day immediately preceding *Our Policy's* Effective Date, and subject to the payment of premiums when due, *We* agree to provide continuity of coverage for *You* and *Your Eligible Spouse* and *Eligible Dependent Children* if *You* are not *Actively at Work* on *Our Policy* Effective Date. If *Your* coverage is extended under this provision, *You* are not eligible for Portability or *Waiver of Premium* benefits under *Our Policy*.

Coverage under this provision will end on the earlier of:

1. The date *You* return to *Active Work*, at which time *You* may be covered as an *Actively at Work Insured* under *Our Policy*;
2. The last day of the 12th month following *Our Policy* Effective Date;
3. The last day *You* would have been covered under the *Prior Policy* had the *Prior Policy* not terminated;
4. The date *You* are approved for *Waiver of Premium* under the *Prior Policy*; or
5. The date insurance terminates for one of the reasons stated in the Termination Provisions of *Our Policy*

The amount of coverage provided will be the lesser of

1. The amount of coverage *You* had under the *Prior Policy*; or,
2. The amount of coverage *You* are eligible for under *Our Policy*

Reduced by any amount

1. In-force, paid or payable under the *Prior Policy*; or
2. Which would have been payable if timely election had been made under the *Prior Policy*.

Prior Policy means the group term life insurance policy issued to the *Policyholder* whose coverage terminated immediately prior to *Our Policy* Effective Date.

00009-C

Changes to Your coverage

A change in *Your* coverage may occur if:

1. There is a Policy change; or
2. *You* enter another class and become eligible for a change in benefits; or
3. *You* experience a qualified *Change in Family Status*

If *You* are eligible for additional coverage due to a Policy change, the additional coverage will be effective on the date the Policy change is effective, as requested by the *Policyholder* and agreed upon by *Us*.

Additional coverage for reasons other than a Policy change will be effective as indicated in the "*When Does Your Contributory insurance become effective?*" section, or the later of:

1. The date *You* enroll for the additional coverage; or
2. The date *You* become eligible for the additional coverage, if enrollment is not required; or
3. The date *We* approve *Your* coverage if *Evidence of Insurability* is required.

In order for *Your* additional coverage to begin, *You* must be *Actively at Work*.

Additional *Contributory* coverage is subject to payment of premium.

Any decrease in coverage will take effect immediately.

Exception: Increases or decreases to *Your Supplemental* benefit program elected during the *Annual Enrollment Period* will become effective on the next Policy anniversary date, provided *You are Actively at Work* on that day.
00010

Eligibility after You Terminate Employment

If *Your* coverage ends due to termination of employment and *You* do not elect continued coverage under the Portability Benefit provision, *You* must meet all the requirements of a new *Employee* if *You* are rehired at a later date.

If *You* converted all or part of *Your* group life insurance when employment terminated, the individual policy must be surrendered upon return to *Active Work*.

00011

TERM LIFE INSURANCE BENEFIT

THIS BENEFIT ONLY APPLIES TO YOU IF YOU HAVE ELECTED TERM LIFE INSURANCE AND YOU HAVE PAID OR AGREED TO PAY THE APPLICABLE PREMIUM.

When is a Life Insurance Benefit payable?

We will pay *Your* beneficiary the amount of life insurance in force as of the date of *Your* death provided:

1. *You* are insured under the Policy on the date of death, and
2. *We* receive proof of death.

We will determine the amount of insurance payable based upon the Schedule of Benefits.

00012 TX

Are Life Insurance Benefits payable for death by suicide?

Life Insurance benefits including Waiver of Premium, increased benefit amounts elected during subsequent *Annual Enrollment periods* and Accelerated Death Benefits, will not be payable for a loss caused by suicide or attempted suicide, while sane or insane, within one (1) year from the effective date of *Your Supplemental Term Life Insurance* or the effective date of any increased amount of life insurance. Our liability for a death claim by suicide will be limited to the return of premium paid for this life insurance.

If *You*:

1. were covered for *Supplemental* life insurance under a prior carrier's policy; and
2. were insured under the Policy on its effective date;
3. and there was no lapse in coverage,

We will consider the time *You* were covered under the Policy and under the prior carrier's policy in determining if benefits are payable for death by suicide. The death benefit, if payable under this provision, will be the lesser of the benefit under the Policy or the benefit under the prior carrier's policy.

00013

Who will receive Your Life Insurance Benefits?

Your beneficiary designation must be made on a form which *We* provide or on a form accepted by *Us*. If two or more beneficiaries are named, payment of proceeds will be apportioned equally unless *You* had specified otherwise. The *Policyholder* may not be named as beneficiary. Unless *You* provide otherwise, if a beneficiary dies before *You*, *We* will divide that beneficiary's share equally between any remaining named beneficiaries.

If a beneficiary is a minor, or is not able to give a valid release for any payment of benefits made, *We* will not make payment until a claim is made by the person or entity which, by court order, has been granted control of the estate of such beneficiary. This provision does not prevent *Us* from making payment to or for the benefit of a minor beneficiary in accordance with the applicable state law.

Facility of Payment

If no named beneficiary survives *You* or if *You* do not name a beneficiary, *We* will pay the amount of insurance:

1. to *Your* spouse, if living; if not,
2. in equal shares to *Your* then living natural or legally adopted children, if any; if none,
3. in equal shares to *Your* father and mother, if living; if not,
4. in equal shares to *Your* brothers and/or sisters, if living; if not,
5. to *Your* estate.

If any benefits under this provision are to be paid to *Your* estate, *We* may pay an amount not greater than \$250 to any person *We* consider equitably entitled by reason of having incurred funeral or other expenses incident to *Your* death. Any and all payments made by *Us* shall fully discharge *Us* in the amount of such payment.

00014 TX

May You change Your beneficiary?

You may change *Your* beneficiary at any time by completing a form provided or accepted by *Us*, and sending it to the *Policyholder*. *Your* written request for change of beneficiary will not be effective until it is recorded by the *Policyholder*. After it has been so recorded, it will take effect on the later of the date *You* signed the change request form or the date *You* specifically requested. If *You* die before the change has been recorded, *We* will not alter any payment that *We* have already made. Any prior payment shall fully discharge *Us* from further liability in that amount.

If *You* are approved for continued life coverage under the Waiver of Premium or Portability provision, *You* may be asked to name a beneficiary. A beneficiary designation made in connection with Waiver of Premium or Portability, if different from the designation on *Your* enrollment form, shall constitute a change of beneficiary under the Policy. Such change of beneficiary only applies while *You* qualify for continued coverage under the Waiver of Premium or Portability provision.

If continuation of life insurance under the Waiver of Premium or Portability provision ceases, and *You* are employed by the *Policyholder*, *You* must make a new beneficiary designation. If *You* do not name a new beneficiary, *We* will pay death benefits in accordance with the Facility of Payment provision.

00015

CONVERSION OF LIFE INSURANCE***How much Life Insurance may You convert if eligibility terminates?***

You may convert to an individual policy of life insurance if *Your* life insurance, or a portion of it, ceases because:

1. *You* are no longer employed by the *Policyholder*; or
2. *You* are no longer in a class which is eligible for life insurance.

In either of these situations, *You* may convert all or any portion of *Your* life insurance which was in force on the date *Your* life insurance ceased.

How much Life Insurance may You convert if the policy terminates or is amended?

You may also convert to an individual policy of life insurance if *Your* life insurance ceases because:

1. life insurance benefits under the Policy cease; or
2. the Policy is amended making *You* ineligible for life insurance; however, in either of these situations,

You must have been insured under the Policy, or the Policy it replaced, for at least five (5) years. The amount of insurance converted in either of these situations will be the lesser of:

1. the amount of life insurance in force, less any amount for which *You* become eligible under this or any other group policy within 31 days after the date *Your* life insurance ceased; or
2. \$10,000.

How to apply for conversion

We must receive written application and the first premium for the individual life insurance policy within 31 days after life insurance under the Policy ceased. No *Evidence of Insurability* will be required.

The individual policy will be a policy of whole life insurance. It will not contain waiver of premium, accelerated death benefit, disability benefits, accidental death and dismemberment benefits or any other ancillary benefits.

The minimum issue amount of an individual conversion policy is \$2,000. The premium for the individual policy will be based on:

1. *Our* current rates based upon *Your* attained age; and
2. the amount of the individual policy.

If application is made for an individual policy, the coverage under the individual policy will be effective on the day following the 31-day period during which *You* could apply for conversion.

If *You* die during a period when *You* would have been entitled to have an individual policy issued to *You* and if *You* die before such an individual policy became effective, *We* will pay *Your* beneficiary the greatest amount of group term life insurance for which an individual policy could have been issued, provided:

1. *Your* death occurred during the 31-day period within which *You* could have made application; and
2. *We* receive proof of death.

If life insurance benefits are paid under the Policy, payment will not be made under the converted policy, and premiums paid for the converted policy will be refunded.

If *You* have elected Portability, conversion is not available for amounts continued under Portability unless coverage under Portability terminates. Conversion from Portability will be as specified under Portability.

Notice. If the *Policyholder* fails to notify *You* at least 15 days prior to the date insurance under the Policy would cease, *You* shall have an additional period within which to elect conversion coverage; but nothing herein shall be construed to continue any insurance beyond the period provided for in the Policy. The additional election period shall expire 15 days immediately after the *Policyholder* gives *You* notice, but in no event shall it extend beyond 60 days immediately after the expiration of the 31-day period explained above.

00016 TX

WAIVER OF PREMIUM

What is the Waiver of Premium benefit?

We will continue *Your* Basic and Supplemental life insurance benefit under the Policy without further payment of life insurance premium if *You* become *Totally Disabled*, provided:

1. *You* are insured under the Policy and were *Actively at Work* on or after the effective date of the Policy; and
2. *You* are under the age of 60; and
3. *You* provide *Us* with satisfactory written proof within 12 months after the date *You* became *Totally Disabled*; and
4. *Your Total Disability* has continued without interruption for at least 6 months; and
5. *You* are still *Totally Disabled* when *You* submit the proof of disability; and
6. all required premium has been paid.

Total Disability or *Totally Disabled* means *You* are diagnosed by a *Doctor* to be completely unable because of *Sickness* or *Injury* to engage in any occupation for wage or profit or any occupation for which *You* become qualified by education, training or experience.

We will waive premium beginning the month after *We* receive satisfactory proof that *You* have been *Totally Disabled* for at least 6 months. Premium will continue to be waived provided *You*:

1. remain *Totally Disabled*; and
2. provide satisfactory written proof of continuing *Total Disability* upon request. *We* will not request proof of continuing *Total Disability* more frequently than once every three months during the first two years of *Total Disability*, and not more frequently than once a year after the Insured has been *Totally Disabled* for two years.

You are responsible for obtaining initial and continuing proof of *Total Disability*.

You will be covered for the amount of life insurance in force as of the date *Total Disability* commenced. The amount of life insurance continued in force will be subject to any reduction in benefits as shown on the Schedule of Benefits or which are the result of an amendment to the Policy, but in no event will the insurance amount increase while *Your* life insurance is continued under Waiver of Premium. This life insurance coverage will continue without the payment of premium until *You* are no longer *Totally Disabled*, or attain the Maximum Waiver of Premium Duration as set forth in the Schedule of Benefits or retire, whichever occurs first.

We may have *You* examined at reasonable intervals during the period of claimed *Total Disability*, but not more frequently than once every three months during the first two years of *Total Disability*, and not more frequently than once a year after the Insured has been *Totally Disabled* for two years. Continuation of life insurance under the Waiver of Premium provision shall end immediately and without notice if *You* refuse to be examined as and when required.

If *You* are approved for continued coverage under the Waiver of Premium provision, *You* will be asked to name a beneficiary. That beneficiary designation:

1. will only apply while *Your* coverage continues under this Waiver of Premium provision; and
2. if different from the designation on *Your* enrollment form, shall constitute a change of beneficiary under the Policy.

We will pay the amount of life insurance in force to Your beneficiary if You die before furnishing satisfactory proof of Total Disability, if:

1. *You die within one year from the date You became Totally Disabled; and*
2. *We receive proof that You were continuously Totally Disabled until the date of death; and*
3. *We receive proof of death.*

If continuation of life insurance under the Waiver of Premium provision ceases while the Policy is still in force, and You are employed by the Policyholder, Your life insurance will continue provided premium payments begin on the next premium due date. If You return to work with the Policyholder, You must make a new beneficiary designation. If You do not name a new beneficiary, We will pay death benefits in accordance with the Facility of Payment provision.

If continuation of life insurance under the Waiver of Premium provision ceases, and You are no longer employed by the Policyholder, You may apply for an individual life insurance policy in accordance with the Conversion of Life Insurance provision of this Certificate.

How does termination of the Policy affect Your insurance under the Waiver of Premium Benefit?

Termination of the Policy will not affect any insurance that has been continued under this Provision prior to the termination date.

What if You are Totally Disabled and the Policy ends before You satisfy the Elimination Period?

Your coverage under the Policy will end if the Policy ends before You satisfy the Elimination Period. However, when the Policy ends You may be entitled to convert Your coverage to an individual plan of life insurance as described in the Conversion of Life Insurance provision.

You may still submit a claim for Waiver of Premium Benefits after the Policy ends. However, You must be Totally Disabled, pay the Conversion premium for the full length of the Elimination Period and qualify for the Waiver of Premium Benefits.

At no time can You be covered under both the individual conversion policy and this Policy.

Upon receipt of timely notice and due proof of Your Total Disability We will evaluate Your claim. If We determine that You qualify and You pay all applicable premiums, We will approve Your Waiver of Premium claim under the Policy and agree to rescind any individual policy of life insurance issued to You under the Conversion privilege. We will refund any premiums paid for such coverage. Insurance under the Policy will not go into effect until We approve your claim in writing.

00017TXa

ACCELERATED DEATH BENEFIT

What is the Accelerated Death Benefit?

The *Accelerated Death Benefit* is a percentage of *Your* group Basic and *Supplemental* term life insurance which is payable to *You* prior to *Your* death if *We* receive acceptable proof that *You* have a *Terminal Condition*. The *Accelerated Death Benefit* is limited to the maximum and minimum amounts shown on the Schedule of Benefits, and is payable only once to any one *Insured*.

The *Accelerated Death Benefit* is calculated on the group Basic and *Supplemental* term life insurance benefit amount in force under the Policy on the date *You* are diagnosed with a *Terminal Condition*. If *Your* group term life insurance will reduce, due to age, within 12 months after the date *We* receive proof, the *Accelerated Death Benefit* will be calculated on the reduced group Basic and *Supplemental* term life insurance benefit.

Who is Eligible for an Accelerated Death Benefit?

This benefit only applies to *Insureds* with at least the Minimum Covered Life Insurance Benefit amounts set forth in the Schedule of Benefits. *You* must have been *Actively at Work* on or after the effective date of the Policy to be eligible for an *Accelerated Death Benefit*.

This benefit does not apply to Accidental Death and Dismemberment benefits.

Terminal Condition means *You* have been examined and diagnosed by *Your Doctor* as having a non-correctable health condition that, with reasonable medical certainty, will result in *Your* death within 12 months from the date of the *Doctor's Statement*.

Doctor's Statement means a written medical opinion of a Doctor currently licensed to practice in the United States which:

1. is made at *Your* expense; and
2. indicates that *You* have a *Terminal Condition*; and
3. includes all medical test results, laboratory reports, and any other information on which the medical opinion is based; and
4. indicates *Your* expected remaining life span; and
5. is acceptable to *Us*.

The Accelerated Death Benefit Payment

We will pay the benefit during *Your* lifetime if *You* are diagnosed with a *Terminal Condition* if *You* or *Your* legal representative submits a claim for an *Accelerated Death Benefit* and provides satisfactory proof. The benefit will be paid in one sum to *You*. There is no cost for an *Accelerated Death Benefit*. At the time of the payment of the *Accelerated Death Benefit*, *We* will send a statement to the certificate holder specifying the amount of benefits paid, the effect of the *Accelerated Death Benefit* payment on the death benefit face amount, and the amount of benefits remaining available for acceleration.

Are there any exceptions to the payment of the Accelerated Death Benefit?

The *Accelerated Death Benefit* will not be payable:

1. for any amount of group term life insurance which is less than the Minimum ADB Payment as set forth in the Schedule of Benefits; or
2. if *Your Terminal Condition* is the result of:
 - a. attempted suicide, while sane or insane; or
 - b. intentionally self-inflicted injury; or
3. if *Your* group term life insurance benefit has been assigned; or
4. if *Your* group term life insurance benefit is payable to an irrevocable beneficiary, including notification to *Us* that such benefit or a portion of such benefit is to be paid to a former spouse as part of a divorce or separation agreement; or
5. to retirees.

Notice and Proof of Claim

You must elect the Accelerated Death Benefit in writing on a form that is acceptable to Us. You must furnish proof that You have a Terminal Condition, including a Doctor's Statement within 91 days of the notice of claim. If proof is not given within 91 days, the claim will not be reduced or denied if proof is given as soon as reasonably possible.

Effect on Insurance

The *Accelerated Death Benefit* is in lieu of the group term life insurance benefit that would have been paid upon *Your* death. When the *Accelerated Death Benefit* is paid:

1. the term life insurance benefit otherwise payable upon *Your* death will be reduced by the amount of the *Accelerated Death Benefit*. Any portion of the death benefit remaining after reduction of the death benefit due to payment of an *Accelerated Death Benefit* shall be paid upon the death of the Insured.
2. the amount of group term life insurance which could otherwise have been converted to an individual contract will be reduced by the amount of the *Accelerated Death Benefit*; and
3. the premium due for group term life insurance will be calculated on the amount of such insurance remaining in force after deducting the *Accelerated Death Benefit*.

The payment of an *Accelerated Death Benefit* and the balance of the death benefit under the Policy shall constitute full settlement of the face amount of the Policy.

00020 TX

PORTABILITY BENEFIT

What is the Portability Benefit?

If *Your* Basic and Supplemental Group Life Insurance, or any portion of it, terminates, *You* may elect to continue *Your* Life Insurance in accordance with the terms of the Policy by paying premiums directly to *Us*. If *You* elect Portability, *You* may also elect to continue *Dependent* Life Insurance under the conditions set forth below, but *You* may not apply for *Dependent* Life Insurance at the time you apply for Portability. The coverages eligible for Portability and the Portability Benefit Duration are set forth in the Schedule of Benefits.

The premiums for the coverage continued under the Portability Benefit will not be the same as the premium *You* are charged for *Your* group Life insurance under the Policy. Portability premium will be based on:

1. *Our* current rates for the applicant's age and class of risk at the time he elects Portability; and
2. the amount of insurance continued under Portability.

The maximum amount of Life Insurance which may be continued under Portability is the amount of Life Insurance terminating at the time the Portability Benefit is elected not to exceed the Maximum Portable Amount set forth in the Schedule of Benefits.

A beneficiary designation on the Application for Portability, if different from the designation on *Your* enrollment form, shall constitute a change of beneficiary under the Policy, and that beneficiary designation will only apply while *Your* coverage continues under this Portability Benefit provision.

The Waiver of Premium is not available for any *Insured* whose *Total Disability* begins after coverage under Portability becomes effective. The Accelerated Death Benefit is not available for any *Insured* who is diagnosed with a *Terminal Condition* after coverage under Portability becomes effective.

What are Eligibility Requirements for Employee Portability?

To be eligible for Portability, *You* must meet the following conditions:

1. *You* must have been insured under the Policy for at least one year prior to electing Portability; and
2. *Your* Life Insurance, or a portion of it, must have terminated for reasons other than *Sickness*, *Injury*, retirement or termination of the master Policy; and
3. *You* must be less than 65 years of age; and
4. *You* must be able to perform the *Material and Substantial* duties of any *Gainful Occupation* for which *You* are qualified by education, training or experience; and
5. *You* must not have exercised the right to convert under the Conversion of Life Insurance provision the amount of Life Insurance *You* elect under the Portability Benefit. If *You* elect the Portability benefit, any amounts of Life Insurance which are not ported may be converted in accordance with the terms of the Conversion of Life Insurance provision.

You must submit an application for Portability and the first premium within 31 days after the date *Your* Life Insurance terminated.

We reserve the right to rescind any coverage amounts continued under Portability if it can be shown that *You* misrepresented any of the information provided to support eligibility for Portability.

Can Dependent Life Insurance be Ported if Your Eligibility Terminates or if Your Spouse's Coverage Terminates?

Yes, *You* or *Your* insured *Spouse* may elect Portability of Dependents' Life Insurance if Dependents' insurance coverage ceases as follows:

1. *You* may apply for Portability of Dependent Life Insurance if *You* meet the eligibility requirements to port *Your* Life Insurance as shown above and *You* are covered for Dependent Life insurance on the date *Your* coverage ceases.
2. *Your* insured *Spouse* may apply for Portability of his Group Life Insurance, and/or life insurance on covered *Dependent Child(ren)* provided:

- a. *Your Spouse's* life insurance terminates because *You* die or *Your* eligibility for Dependent Life Insurance ceased for reasons other than retirement or termination of the master Policy and *Your Spouse* is less than 65 years of age.
 - b. *Your Spouse* had elected Dependent Life on eligible *Dependent Child(ren)* and such coverage is still in force when *Your* eligibility for Dependents Life Insurance ceased for reasons other than retirement or termination of the master Policy.
 - c. *Your Spouse* must have been insured for such coverage(s) under the Policy for at least one year prior to electing Portability.
 - d. Portability is not available if *Your Spouse's* life insurance terminates because he no longer meets the Policy definition of an *Eligible Dependent Spouse*.
3. *You* or *Your Spouse* must not have exercised the right to convert under the Dependent Conversion Privilege provision of the Policy the amount of coverage *You* or *Your Spouse* elect under the Portability Benefit. If *You* elect portability of Dependent Life Insurance, any amounts of Dependent Life Insurance which are not ported may be converted in accordance with the terms of the Policy.

If these criteria are met, *You* or *Your Spouse*, must submit an Application for Portability and the first premium within 31 days after the date such eligible Dependent Life Insurance terminated.

We reserve the right to rescind any coverage amounts continued under Portability if it can be shown that *You* or *Your Spouse* misrepresented any of the information provided to support eligibility for Portability of Dependent Life Insurance.

When will Portable Coverage Terminate?

Insurance continued under the Portability Benefit provision of the Policy will terminate at the earliest of the following:

1. the date *You* return to work with the *Policyholder* while the Policy is still in force; or
2. the date *You* or *Your Spouse* fail to pay the required premiums when due; or
3. the end of the Portability Benefit Duration set forth in the Schedule of Benefits; or
4. the premium due date following the date a Dependent ceases to meet the definition of an *Eligible Dependent*.

If continuation of life insurance under the Portability Benefit provision ceases while the Policy is still in force, and *You* are employed by the *Policyholder*, *Your* life insurance will continue provided premium payments begin on the next premium due date. If *You* return to work with the *Policyholder*, *You* must make a new beneficiary designation. If *You* do not name a new beneficiary, we will pay death benefits according to the Facility of Payment provision.

Is Conversion available after coverage under Portability ends?

If coverage under Portability terminates according to (3) or (4) above, *You* may convert to an individual policy of whole life insurance in accordance with the terms of the Conversion provisions of the Policy. No *Evidence of Insurability* will be required. The amount of the conversion policy may not exceed the amount of life insurance which terminated as set forth above.

00022

DEPENDENT LIFE INSURANCE

THIS BENEFIT ONLY APPLIES IF YOU HAVE ELECTED DEPENDENT TERM LIFE INSURANCE AND YOU HAVE PAID OR AGREED TO PAY THE APPLICABLE PREMIUM.

What is the Dependent Life Insurance Benefit?

We will pay You the amount of insurance set forth in the Schedule of Benefits on the life of Your Dependent(s) while Your insurance is in force. Payment will be in one lump sum.

If You are not living at the time Dependent life insurance benefits become payable, We will pay the benefit:

- 1. to Your Spouse, if living; if not,*
- 2. in equal shares to Your then living natural or legally adopted children, if any; if none,*
- 3. in equal shares to Your father and mother, if living; if not,*
- 4. in equal shares to Your brothers and sisters, if living; otherwise*
- 5. to Your estate.*

Are Life Insurance Benefits payable for death by suicide?

Life Insurance benefits will not be payable for a loss caused by suicide or attempted suicide, while sane or insane, within one (1) year from the effective date of Your covered Dependent's Supplemental Term Life Insurance or the effective date of any increased amount of life insurance. Our liability for a death claim by suicide will be limited to the return of premium paid for this life insurance.

If Your covered Dependent(s):

- 1. were covered for Voluntary life insurance under a prior carrier's policy; and*
- 2. were insured under the Policy on its effective date;*
- 3. and there was no lapse in coverage,*

We will consider the time Your covered Dependent(s) were covered under the Policy and under the prior carrier's policy in determining if benefits are payable for death by suicide. The death benefit, if payable under this provision, will be the lesser of the benefit under the Policy or the benefit under the prior carrier's policy.

00023

Who is eligible for Dependent Life Insurance?

If You are insured for life insurance under the Policy and belong to a class listed in the Schedule of Benefits as eligible for Dependent Life Insurance benefits, You are eligible to enroll for this benefit. If You or Your Spouse are enrolled for Dependent Life Insurance and subsequently acquire a new Eligible Dependent, that Dependent will automatically be covered.

Note: No eligible person may be covered more than once under the Policy. If a person is covered as an Employee, he cannot be covered as a Spouse or Dependent Child of another Employee. If both parents are covered as insured Employees under the Policy, only one may enroll for life insurance coverage on Eligible Dependent Child(ren).

When does Dependent Life Insurance become effective?

Provided You:

- 1. have completed any required Employee Eligibility Waiting Period; and*
- 2. apply for Dependent Life Insurance no later than 31 days after becoming eligible for this benefit; and*
- 3. have paid or are obligated to pay any applicable premium,*

Life insurance for Your Eligible Dependent(s) will become effective on the later of:

- 1. the first of the month that falls on or next follows date Your group insurance coverage becomes effective;*
- 2. the first of the month that falls on or next follows effective date of the Dependent Life Insurance benefit; or*
- 3. the first of the month that falls on or next follows date You enroll Your Eligible Dependent(s);*
- 4. the first of the month that falls on or next follows the date You acquire Your Eligible Dependent(s);*

5. if *Evidence of Insurability* is required, the date We determine that evidence is satisfactory and We provide notice of approval.

If You enroll for Dependent Life Insurance more than 31 days after You are eligible to do so, You must furnish *Evidence of Insurability* satisfactory to Us for each *Dependent*, and coverage will become effective as set forth above.

If an *Eligible Dependent* is required to submit satisfactory *Evidence of Insurability* for any reason, insurance in the amount for which We require such evidence will become effective on the date We determine that the evidence is satisfactory and We provide notice of approval.

If an *Eligible Dependent* is *Hospital Confined* or Your *eligible Spouse* is unable to perform two of the *Activities of Daily Living* on the date coverage would otherwise become effective, insurance will not become effective until the date the *Eligible Dependent* is *No Longer Hospital Confined* or Your *Spouse* is able to perform at least two of the *Activities of Daily Living*.

When do changes in the Dependent Life Insurance benefit become effective?

If no *Evidence of Insurability* is required, increases in the amount of Dependent Life Insurance will become effective immediately on the date of the change, provided the *Dependent* is not *Hospital Confined* on that day. If the *Dependent* is *Hospital Confined*, the increase will become effective on the date the *Dependent* is *No Longer Hospital Confined*.

For amounts on which *Evidence of Insurability* is required, increases in the amount of Dependent Life Insurance will be effective on the date We determine that evidence is satisfactory and We provide notice of approval date.

Any decrease in the amount of Dependent Life Insurance will become effective immediately on the date of the change.
00024

Definitions which apply to the Dependent Life Insurance provision:

Eligible Dependent means:

1. the Spouse or Domestic Partner of each individual eligible to be insured under the Policy;
2. a natural or adopted child of each individual eligible to be insured under the policy if the child is:
 - a. younger than 26 years of age; or
 - b. physically or mentally disabled and under the parents' supervision; or
3. a natural or adopted grandchild of each individual eligible to be insured under the policy if the child is:
 - a. younger than 26 years of age; and
 - b. a dependent of the insured for federal income tax purposes at the time the application for coverage of the child is made.

Dependent Child - See Dependent or Eligible Dependent

No Longer Hospital Confined means the *Eligible Dependent* has been discharged from a hospital, nursing home or other medical facility which provides skilled medical care. This provision does not apply to Your *Dependent Child* born while You are insured under the Policy or covered under the prior policy.

Spouse means lawful spouse. *Spouse* will include Your *Registered Domestic Partner*.
00026 TXb

CONVERSION OF DEPENDENT LIFE INSURANCE

Can Dependent Life Insurance be converted if Eligibility Terminates?

Yes, a *Dependent* may convert to an individual policy of life insurance if his life insurance, or any portion of it, ceases because:

1. You are no longer employed by the *Policyholder*; or
2. You are no longer in a class which is eligible for Dependent Life Insurance; or
3. You die; or
4. a *Dependent Child* reaches the limiting age under the Policy; or
5. a *Dependent Spouse* is no longer eligible as a result of divorce or dissolution of marriage; or

6. a *Dependent* is no longer eligible as defined in this provision.

In any of these situations, the *Dependent* may convert up to the amount which was in force on the date insurance was terminated.

How much can Your covered Dependent convert if the Policy is terminated or amended?

A *Dependent* may also convert to an individual policy of life insurance if his life insurance ceases because:

1. Dependent Life Insurance benefits under the Policy cease; or
2. the Policy is amended making the insured *Dependent* ineligible for Dependent Life Insurance; however, he must have been insured under the Policy, or the policy it replaced, for at least five (5) years. The amount of insurance converted in either of these situations will be the lesser of:
 1. the amount of life insurance in force, less any amount for which the *Dependent* becomes eligible under this or any other group policy within 31 days after the date his life insurance ceased; or
 2. \$10,000.

How to apply for conversion

We must receive written application and the first premium for the individual life insurance policy within 31 days after life insurance under the Policy ceases. No *Evidence of Insurability* will be required.

The individual policy will be a policy of whole life insurance. It will not contain Accidental Death and Dismemberment benefits or any other supplementary benefits.

The minimum issue amount of an individual conversion policy is \$2,000. The premium for the individual policy will be based on:

1. Our current rates based upon the applicant's attained age; and
2. the amount of the individual policy.

If the *Dependent* applies for an individual policy, the coverage under the individual policy will be effective on the day following the 31-day period during which he could apply for conversion.

If the *Dependent* dies during a period when he would have been entitled to have an individual policy issued to him and if he dies before such an individual policy became effective, *We* will pay the greatest amount of group term life insurance for which an individual policy could have been issued, provided:

1. the death occurred during the 31-day period during which he could have made application; and
2. *We* receive proof of death.

If life insurance benefits are paid under the Policy, payment will not be made under the converted policy, and *We* will refund any premiums paid for the converted policy.

00027 TX

ACCIDENTAL DEATH & DISMEMBERMENT BENEFIT (AD&D)

What is the AD&D Benefit?

If, while insured under the Policy, *You* suffer an *Injury* in an *Accident*, *We* will pay for those *Losses* set forth in the "Table of Losses" below. The amount paid will be the percentage stated in the Table of Losses but not more than the Coverage Amount set forth in the Schedule of Benefits. The *Loss* must:

1. occur within 365 days of the *Accident*; and
2. be the direct and sole result of the *Accident*; and
3. be independent of all other causes.

TABLE OF LOSSES

**% OF COVERAGE
AMOUNT PAYABLE**

Loss of Both Hands	100%
Loss of Both Feet	100%
Loss of Entire Sight of Both Eyes	100%
Loss of One Hand and One Foot	100%
Loss of Speech and Hearing	100%
Quadriplegia	100%
Paraplegia	75%
Loss of One Hand	50%
Loss of One Foot	50%
Loss of Entire Sight of One Eye	50%
Loss of Speech	50%
Loss of Hearing (both ears)	50%
Hemiplegia	50%
Loss of Thumb and Index Finger (on same hand)	25%
Uniplegia	25%

Definitions which apply to the AD&D Provision:

Accident or *Accidental* means a sudden, unexpected event that was not reasonably foreseeable.

Hemiplegia means total *Paralysis* of one arm and one leg on the same side of the body.

Loss, with respect to hand or foot, means actual and permanent severance from the body at or above the wrist or ankle joint, as applicable. With respect to eyes, speech and hearing, loss means entire and irrecoverable loss of sight, speech or hearing. With respect to thumb and index finger, loss means complete severance of entire digit at or above joints.

Paralysis means loss of use without severance of a limb as a result of an *Injury* to the Spinal Cord, which has continued for 12 months. *Paralysis* must be determined by a *Doctor* to be permanent, total and irreversible.

Paraplegia means total *Paralysis* of both legs.

Quadriplegia means total *Paralysis* of both arms and both legs.

Uniplegia means total *Paralysis* of one limb.

The total amount of AD&D benefits payable for all *Losses* for any *Insured* resulting from any one *Accident* will not be greater than the Coverage Amount set forth in the Schedule of Benefits.

Except as provided in a particular AD&D benefit provision, *We* will pay benefits for loss of life to the same beneficiary(ies) named to receive life insurance benefits. Benefits for all other *Losses* will be paid to *You*.

00030

SEAT BELT BENEFIT

What is the Seat Belt Benefit?

We will pay an additional amount, as set forth in the Schedule of Benefits, if a benefit is payable under the AD&D Benefit for *Your* loss of life as the result of an *Accident* which occurs while *You* were driving or riding in an *Automobile*, if:

1. the *Automobile* is equipped with *Seat Belts*.
2. the *Seat Belt* was in actual use and properly fastened at the time of the *Accident*.
3. the position of the *Seat Belt* is certified in the official report of the *Accident* or by the investigating officer. A copy of the police accident report must be submitted with the claim.
4. *You* were driving or riding in an *Automobile* driven by a licensed driver who was neither:
 - a. intoxicated or driving while impaired. Intoxication and impairment shall be determined, with or without conviction, by the law of the jurisdiction in which the *Accident* occurs or .08% blood alcohol content if the jurisdiction in which the *Accident* occurred does not define intoxication; nor
 - b. under the influence of any narcotic, hallucinogen, barbiturate, amphetamine, gas or fumes, poison or any other controlled substance as defined in Title II of the Comprehensive Drug Abuse prevention and Control Act of 1970, as now or hereafter amended, unless as prescribed by a licensed physician and used in the manner prescribed. Conviction is not necessary for a determination of being under the influence.

If the required certification is not available and if it is unclear whether *You* were properly wearing a *Seat Belt*, then *We* will pay an additional benefit of \$1,000.

Automobile means a validly registered private passenger car (or policyholder-owned car), station wagon, jeep-type vehicle, SUV, pick-up truck or van-type car that is not licensed commercially or being used for commercial purposes.

Seat Belt means those belts that form an occupant restraint system.

00031

AIR BAG BENEFIT

What is the Air Bag Benefit?

We will pay an additional amount as set forth in the Schedule of Benefits if a benefit is payable under the AD&D Benefit for *Your* loss of life as the result of an *Accident* which occurs while *You* are driving or riding in an *Automobile* provided that:

1. *You* were positioned in a seat that was equipped with an *Air Bag*;
2. *You* were properly strapped in the *Seat Belt* when the *Air Bag* inflated; and
3. the police report establishes that the *Air Bag* inflated properly upon impact.

If it is unclear whether *You* were properly wearing *Seat Belt(s)* or if it is unclear whether the *Air Bag* inflated properly, then the Air Bag Benefit will be \$1,000.

Air Bag means an inflatable supplemental passive restraint system installed by the manufacturer of the *Automobile*, or proper replacement parts as required by the automobile manufacturer's specifications, that inflates upon collision to protect an individual from injury and death. A *Seat Belt* is not considered an *Air Bag*.

00032

REPATRIATION BENEFIT

What is the Repatriation Benefit?

We will pay an additional amount, as set forth in the Schedule of Benefits, for the preparation and transportation of *Your* body to a mortuary if:

1. the Coverage Amount under the AD&D Benefit is payable for *Your* loss of life; and
2. *Your* death occurs at least 75 miles away from *Your* principal residence.

00033

EDUCATION BENEFIT

What is the Education Benefit?

We will pay an additional amount, as set forth in the Schedule of Benefits to *Your Dependent Student* if an AD&D benefit is payable for *Your* loss of life. *We* will only pay one Education Benefit to any one *Dependent Student* during any one school year. If the *Dependent Student* is a minor, *We* will pay the benefit to the legal representative of the minor.

Definitions which apply to the Education Benefit:

Student means an *Eligible Dependent* child who, on the date of *Your* death, is:

1. A full-time post-high school student in a *School of Higher Education*; or
2. A student in the 12th grade but who becomes a full-time post-high school student in a *School of Higher Education* within 365 days after *Your* death.

School of Higher Education means an institution which:

1. is legally authorized by the State in which it is located; and
2. provides either a program for:
 - a. Bachelor's degrees or not less than a two year program with full credit towards a Bachelor's degree; or
 - b. Gainful employment as long as such program is at least one year of training; and
3. is accredited by an Agency or association recognized by the U.S. Department of Education under the Higher Education Assistance Act as may be amended from time to time.

When Benefit Ends: A *Dependent Student* will no longer be eligible to receive the Dependent Education Benefit upon the earlier of the following:

1. Our payment of the fourth installment of the Dependent Education Benefit on behalf of or to the *Dependent Student*; or
2. At the end of the period during which due Proof must be submitted if no due Proof is submitted.

Special Child Education Benefit: If *Your Eligible Dependent* child does not qualify as a *Student*, but is enrolled in an elementary or high school, *We* will pay a Child Education Benefit in the amount of \$1,000. This benefit is payable once upon proof that *You* died as a result of an Accident for which the Accidental Death & Dismemberment benefit is payable and that, within 12 months after *Your* death, *Your Eligible Dependent Child* is a full-time student in an elementary or high school.

00034

SPOUSE TRAINING BENEFIT

What is the Spouse Training Benefit?

We will pay an additional amount, as set forth in the Schedule of Benefits, to *Your Dependent Spouse* if the coverage amount under the AD&D Benefit is payable for *Your* loss of life. The benefit payable is up to the Maximum Spouse

Training Benefit set forth in the Schedule of Benefits. The benefit is paid annually for the cost of covered expenses incurred within 36 months of *Your* death.

We will pay this benefit if *You*:

1. die within 365 days of and as a result of a covered *Accident*; and
2. are survived by a *Spouse*.

The benefit will be payable for *Your* surviving *Spouse* who:

1. enrolls within 365 days after *Your* death in any *School of Higher Education* for the purpose of training, retraining or refreshing skills needed for employment; and
2. incurs expenses payable directly to or approved and certified by such school.

School of Higher Education means an institution which:

1. is legally authorized by the State in which it is located; and
2. provides either a program for:
 - a. Bachelor's degrees or not less than a two year program with full credit towards a Bachelor's degree; or
 - b. Gainful employment as long as such program is at least one year of training; and
3. is accredited by an Agency or association recognized by the U.S. Department of Education under the Higher Education Assistance Act as may be amended from time to time.

00035

DAY CARE BENEFIT

What is the Day Care Benefit?

We will pay an additional amount, as set forth in the Schedule of Benefits, if the *Employee Coverage Amount* under the AD&D Benefit is payable for *Your* loss of life. The benefit is paid annually for the cost of covered expenses incurred, if *You* are survived by a *Dependent Child* who:

1. on the date of the covered *Accident* was enrolled in a legally licensed *Day Care Center*, or
2. is enrolled in a legally licensed *Day Care Center* within 365 continuous days from the date of the covered *Accident*; and
3. is less than 13 years of age.

The Day Care Center Benefit is payable for incurred *Day Care Center* expenses for each child who qualifies:

1. in an amount up to the Day Care Benefit Amount as set forth in the Schedule of Benefits ; and
2. only while the *Dependent* child continues to be enrolled in a legally licensed *Day Care Center*.

We will pay this benefit once a year, at the end of a 12-month period in which there are documented *Day Care Center* expenses, for not more the Maximum Day Care Benefit Duration, as set forth in the Schedule of Benefits, or until the child's 13th birthday, whichever happens first.

If at the time of the *Accident*, coverage for a *Dependent Child* is in force, but there is no *Dependent* child who qualifies, *we* will pay an additional benefit of \$1,500 to *Your* designated beneficiary.

This benefit will be payable to *Your* surviving *Spouse*, if *Your Spouse* has custody of the child. If *You* have no surviving *Spouse*, or *Your* child does not live with *Your Spouse*, then the benefit will be paid to the child's legally appointed guardian.

Day Care Center means a facility which is run according to law, including laws and regulations applicable to child care facilities, and which provides care and supervision for children in a group setting on a regular, daily basis.

A *Day Care Center* does not include: a hospital, the child's home or care provided during normal school hours while a child is attending grades one through twelve.

00036

PUBLIC CONVEYANCE BENEFIT

What is the Public Conveyance Benefit?

We will pay an additional amount, as set forth in the Schedule of Benefits, if an AD&D benefit is payable for *Your* loss of life as the result of an *Accident* which occurs while *You* are a fare-paying passenger in a *Public Conveyance* that;

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1. is run by a common carrier regulated by the government; and
2. transports passengers for hire; and
3. is not chartered or other privately arranged conveyance.

Public Conveyance means

1. Any land or water conveyance licensed for the transportation of passengers for hire; or
2. Any aircraft operated by a business organized to operate an aircraft service and licensed for the transportation of passengers for hire.

00038

FELONIOUS ASSAULT BENEFIT

What is the Felonious Assault Benefit?

We will pay an additional amount, as set forth in the Schedule of Benefits in the event of *Your* death, to *Your* designated beneficiary if:

1. Loss of life occurs while *You* are on the business of the *Policyholder* or commuting to or from the premises of the *Policyholder*; and
2. Loss of life is the direct result of any of the following:
 - a. Robbery, holdup or attempt thereat;
 - b. Kidnapping while attempting a holdup;
 - c. Felonious assault inflicted by persons other than fellow *Employees* or members of *Your* family or household.

00039

EXPOSURE AND DISAPPEARANCE

If, as a result of an *Accident* while insured for this benefit, if *You* are unavoidably exposed to the elements and suffer a *Loss* as a result of that exposure, that *Loss* will be covered. If *Your* body has not been found within one (1) year of an *Accidental* disappearance, forced landing, sinking or wrecking of a conveyance in which *You* were occupants, *You* will be deemed to have suffered loss of life.

00043

LIMITATIONS

Are there any Limitations for losses due to an Accident?

We will not pay any benefit for any *Loss* that, directly or indirectly, results in any way from or is contributed to by:

1. any disease or infirmity of mind or body, and any medical or surgical treatment thereof; or
2. any infection, except a pus-forming infection of an *Accidental* cut or wound; or
3. suicide or attempted suicide, while sane or insane; or
4. any intentionally self-inflicted *Injury*; or
5. war, declared or undeclared, whether or not *You* are a member of any armed forces; or
6. travel or flight in an aircraft while a member of the crew, or while engaged in the operation of the aircraft, or giving or receiving training or instruction in such aircraft; or
7. commission of, participation in, or an attempt to commit an assault or felony; or
8. under the influence of any narcotic, hallucinogen, barbiturate, amphetamine, or any other controlled substance as defined in Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970, as now or hereafter amended, unless as prescribed by a licensed physician and used in the manner prescribed. Conviction is not necessary for a determination of being under the influence; or
9. intoxication as defined by the laws of the jurisdiction in which the *Accident* occurred or .08% blood alcohol content if the jurisdiction in which the *Accident* occurred does not define intoxication. Conviction is not necessary for a determination of being intoxicated; or
10. active participation in a *Riot*. *Riot* means all forms of public violence, disorder, or disturbance of the public peace, by three or more persons assembled together, whether with or without a common intent and whether or not damage to person or property or unlawful act is the intent or the consequence of such disorder.

00050

UNIFORM PROVISIONS

(Applicable to Dismemberment Coverage Only)

Initial Notice of Claim

We must receive written notice of *Loss* within 30 days of the date of *Loss*, or as soon as reasonably possible. The *Policyholder* can assist with the appropriate telephone number and address of *Our* Claim Department. Notice may be sent to *Our* Claim Department at the address shown on the claim form or given to *Our* Agent.

Claim Forms

Within 15 days of *Our* being notified in writing of a claim, *We* will supply the claimant with the necessary claim forms. The claim form is to be completed and signed by the claimant, the *Policyholder* and the claimant's *Doctor*. If the appropriate claim forms are not received within 15 days, then the claimant will be considered to have met the requirements for written proof of loss if *We* receive written proof, which describes the occurrence, extent and nature of the *Loss*.

Time Limit for Filing Your Claim

We must receive written proof of loss within 91 days after the date a *Loss* is incurred. If it is not possible to give *Us* written proof within 91 days, the claim is not affected if the proof is given as soon as possible. However, unless the claimant is legally incapacitated, written proof of loss must be given no later than one year after the time proof is otherwise due.

No benefits are payable for claims submitted more than 1 year after the time proof is due. However, benefits may be paid for late claims if it can be shown that:

1. It was not reasonably possible to give written proof during the one year period, and
2. Proof of loss satisfactory to *Us* was given as soon as was reasonably possible.

For the Education Benefit, proof of loss must:

1. Include proof of *Dependent Student* status; and
2. Be submitted no later than
 - a. Two months after completion of course work for that particular school year if the *Dependent Student* is enrolled in a *School of Higher Education* at the time of *Your* death. School year shall be deemed to begin on September 1st and end on August 31st; or
 - b. Within six (6) months after enrollment in a *School of Higher Education* if the *Dependent Student* is in the 12th grade at the time of *Your* death.

After the first year in a *School of Higher Education*, due proof must be submitted in accordance with the time limits defined in Item (a) above.

Physical Examination/Autopsy

Upon receipt of a claim, *We* may examine an *Insured*, at *Our* expense, at any reasonable time. *We* reserve the right to perform an autopsy, at *Our* expense, if it is not prohibited by any applicable local law(s).

00051 TX

TERMINATION PROVISIONS

When does Your coverage under the Policy end?

Your coverage will terminate on the earliest of the following dates. Termination will not affect *Your* claim for a covered *Loss* which occurred while the coverage was in force.

1. the date on which the Policy is terminated;
 2. the date *You* stop making any required contribution toward payment of premiums;
 3. the effective date of an amendment to the Policy which terminates insurance for the class to which *You* belong; or
 4. the date *You*:
 - a. are no longer a member of a class eligible for this insurance,
 - b. request termination of coverage under the Policy,
 - c. are retired or pensioned, or
 - d. are no longer *Actively at Work* as a result of a disability, layoff, leave of absence, sabbatical or military leave.
- However, *You* may continue to be eligible for group insurance coverage, as follows:

Disability	Until the end of the twelfth month following the month in which the disability began, provided all premiums are paid when due, the Policy is in force, and <i>Your</i> coverage is not replaced with group life insurance provided by a new carrier.
Layoff	Until the end of the month following the month during which the layoff began, provided all premiums are paid when due, the Policy is in force, and <i>Your</i> coverage is not replaced with group life insurance provided by a new carrier.
Leave of Absence	Until the end of the month following the month during which the leave of absence began, or, the period of time in accordance with the FMLA provision below, provided all premiums are paid when due, the Policy is in force, and <i>Your</i> coverage is not replaced with group life insurance provided by a new carrier.
Sabbatical	Until the end of the month following the sixth month in which the sabbatical began, provided all premiums are paid when due, the Policy is in force, and <i>Your</i> coverage is not replaced with group life insurance proved by a new carrier.
Military Leave	Until the end of the twelfth month following the month in which the military leave began for non-uniformed personnel. For uniformed personnel, coverage may continue for the entire duration of the military leave, provided all premiums are paid when due, the Policy is in force, and <i>Your</i> coverage is not replaced with group life insurance provided by a new carrier.

For the purposes of this Termination Provision only, ***Disability*** means *You* are unable to perform all of the *Material* and *Substantial Duties of Your Regular Occupation*.

00052TXa

Will coverage be continued if You are eligible for leave under FMLA?

In the event *You* are eligible for and the *Policyholder* approves a leave under the Family and Medical Leave Act of 1993 (FMLA), or any applicable state family and medical leave law (State FML), provided the required premium continues to be paid, the Policy is in force and *Your* coverage is not replaced with group life insurance provided by a new carrier, *Your* insurance will continue for a period of up to the later of:

1. the leave period permitted by the federal Family and Medical Leave Act of 1993 and any amendments; or
2. the leave period permitted by applicable state law.

You are eligible for leave under this Act in order to provide care:

1. After the birth of a child; or
2. After the legal adoption of a child; or
3. After the placement of a foster child in *Your* home; or
4. To a spouse, child or parent due to their serious illness; or

5. For *Your* own serious health condition.

While granted a Family or Medical Leave of Absence:

1. The *Policyholder* must remit the required premium according to the terms of the Policy; and
2. coverage will terminate if *You* do not return to work as scheduled according to the terms of *Your* agreement with the *Policyholder*.

00053a

When does Dependent Life Insurance coverage end?

Unless life insurance is continued under the Portability Benefit provision, Dependent Life Insurance coverage will end on the earliest of:

1. the date *You* are no longer *Actively at Work* (except in the case of disability, layoff or leave of absence as set forth above); or
2. the date on which the Policy is terminated;
3. the date *You* stop making any required contribution toward payment of premiums;
4. the effective date of an amendment to the Policy which terminates insurance for the class to which *You* belong; or
5. the date *You*:
 - a. are no longer a member of a class eligible for this insurance,
 - b. request termination of coverage under the Policy,
 - c. are retired or pensioned, or
6. the date a *Dependent Child* or *Spouse* no longer meets the Policy definition of *Eligible Dependent*

Note: Coverage will continue past the age limit for eligible *Dependent Children* who are primarily dependent upon *You* for support and who cannot work to support themselves due to a physical or mental incapacity which began before the age limit was reached. Proof of such incapacity must be provided to *Us* upon request.

00054 TX

GENERAL PROVISIONS

Entire Contract; Changes

The Policy, the *Policyholder's Application*, the *Employee's* Certificate of coverage, and *Your* application, if any, and any other attached papers, form the entire contract between the parties. Coverage under the Policy can be amended by mutual consent between the *Policyholder* and *Us*. No change in the Policy is valid unless approved in writing by one of *Our* officers. No agent has the right to change the Policy or to waive any of its provisions.

Statements on the Application

In the absence of fraud, all statements made in any signed application are considered representations and not warranties (absolute guarantees). No representation by:

1. the *Policyholder* in applying for the Policy will make it void unless the representation is contained in his signed *Application*; or
2. any *Employee* in applying for insurance under the Policy will be used to reduce or deny a claim unless a copy of the application for insurance, signed by the *Employee*, is or has been given to the *Employee*.

Legal Actions

Unless otherwise provided by federal law, no legal action of any kind may be filed against *Us*:

1. until 60 days after proof of claim has been given; or
2. more than 3 years after proof of *Loss* must be filed, unless the law in the state where *You* live allows a longer period of time.

Clerical Error

Clerical error or omission by *Us* to the *Policyholder* will not:

1. Prevent *You* from receiving coverage, if *You* are entitled to coverage under the terms of the Policy; or
2. Cause coverage to begin or coverage to continue for *You* when the coverage would not otherwise be effective.

If the *Policyholder* gives *Us* information about *You* that is incorrect, *We* will:

1. Use the facts to decide whether *You* have coverage under the Policy and in what amounts; and
2. Make a fair adjustment of the premium.

Incontestability

The validity of the Policy shall not be contested, except for non-payment of premiums, after it has been in force for two years from the date of issue. The validity of the Policy shall not be contested on the basis of a statement made relating to insurability by any person covered under the Policy after such insurance has been in force for two years during such person's lifetime, and shall not be contested unless the statement is contained in a written instrument signed by the person making such statement.

Premium Provisions

Premiums are payable in United States dollars on or before their due dates. The *Policyholder* has agreed to deduct from *Your* pay any premiums payable for *Your Supplemental* coverage. The *Policyholder* agrees to remit such premiums for the entire time coverage under the Policy is in effect.

Premium charges for increases in insurance amounts becoming effective during a policy month will begin on the next premium due date. Premium charges for insurance terminating during a policy month will cease at the end of the month in which such insurance terminates. This method of charging premium is for accounting purposes only. It will not extend any insurance coverage beyond the date it would otherwise have terminated.

Misstatement of Age

If *You* have misstated *Your* age, the true age will be used to determine:

1. the effective date or termination date of insurance; and
2. the amount of insurance; and
3. any other rights or benefits.

Premiums will be adjusted to reflect the premiums that would have been paid if the true age had been known.

Conformity with State Statutes and Regulations

If any provision of the Policy conflicts with the statutes and regulations of the state in which the Policy was issued or delivered, it is automatically changed to meet the minimum requirements of the statute.

Assignment

You may assign any incident of ownership You may possess of the life insurance benefits provided under the Policy to anyone other than the Policyholder. We are not responsible for the validity or legal effect of any assignment. Collateral assignments, by whatever name called, are not permitted.

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DEFINITIONS

This section tells *You* the meaning of special words and phrases used in this Certificate. To help *You* recognize these special words and phrases, the first letter of each word, or each word in the phrase, is capitalized wherever it appears.

Actively at Work or *Active Work* means that *You* must:

1. work for the *Policyholder* on a full-time active basis; or
2. work at least the minimum number of hours set forth in the Schedule of Benefits: and either:
 - a. work at the *Policyholder*'s usual place of business; or
 - b. work at a location to which the *Policyholder*'s business requires *You* to travel;
3. be paid regular earnings by the *Policyholder*, and
4. not be a temporary or seasonal *Employee*.

You will be considered *Actively at Work* if *You* were actually at work on the day immediately preceding:

1. a weekend (except for one or both of these days if they are scheduled days of work);
2. holidays (except when such holiday is a scheduled work day);
3. paid vacations;
4. any non-scheduled work day;
5. excused leave of absence (except medical leave and lay-off); and
6. emergency leave of absence (except emergency medical leave); and

You were not *Hospital Confined* or disabled due to an *Injury* or *Sickness*.
00061

Activities of Daily Living means:

1. Eating – Feeding oneself by getting food into the body from a receptacle (such as a plate, cup or table) or by a feeding tube or intravenously.
 2. Toileting – Getting to and from the toilet, getting on and off the toilet and performing associated personal hygiene.
 3. Transferring – Moving into or out of a bed, chair or wheelchair.
 4. Bathing – Washing oneself by sponge bath; or in either a tub or shower, including the task of getting into or out of the tub or shower.
 5. Dressing – Putting on and taking off all items of clothing and any necessary braces, fasteners or artificial limbs.
 6. Continence – Ability to maintain control of bowel and bladder function; or when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene (including caring for catheter or colostomy bag).
- 00062

Annual Enrollment Period means a period of time prior to the Policy anniversary date during which eligible *Employees* may apply for *Supplemental* life coverage or request changes to their life benefit plan. The *Annual Enrollment Period* is shown on the *Schedule of Benefits*.
00064

Application means the document which sets forth the eligible classes, the amounts of insurance, and other relevant information pertaining to the plan of insurance for which the *Policyholder* applied.
00066

Coma or *Comatose* means a state of complete loss of consciousness from which *You* cannot be aroused and there is no evidence of response to stimulation.
00069

Contributory means *You* pay all or a portion of the premium for this insurance coverage.
00070

Dependent or Eligible Dependent means:

1. the Spouse or Domestic Partner of each individual eligible to be insured under the Policy;
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2. a natural or adopted child of each individual eligible to be insured under the policy if the child is:
 - a. younger than 26 years of age; or
 - b. physically or mentally disabled and under the parents' supervision; or
3. a natural or adopted grandchild of each individual eligible to be insured under the policy if the child is:
 - a. younger than 26 years of age; and
 - b. a dependent of the insured for federal income tax purposes at the time the application for coverage of the child is made.

Dependent Child - See Dependent or Eligible Dependent

00072 TXa

Doctor means a person legally licensed to practice medicine, psychiatry, psychology or psychotherapy, who is neither *You* nor a member of *Your* immediate family. A licensed medical practitioner is a *Doctor* if applicable state law requires that such practitioners be recognized for purposes of certification of *Total Disability*, *Terminal Condition* or covered *Loss*, and the treatment provided by the practitioner is within the scope of his or her license.

00073

Doctor's Statement means a written medical opinion of a Doctor currently licensed to practice in the United States which:

1. is made at *Your* expense; and
2. indicates that *You* have a Terminal Condition; and
3. includes all medical test results, laboratory reports, and any other information on which the medical opinion is based; and
4. indicates *Your* expected remaining life span; and
5. is acceptable to Us.

00125 TX

Employee means an *Actively at Work* full-time employee whose principal employment is with the *Policyholder*, at the *Policyholder's* usual place of business or such place(s) that the *Policyholder's* normal course of business may require, who is *Actively at Work* for the minimum hours per week as set forth in the Schedule of Benefits and is reported on the *Policyholder's* records for Social Security and withholding tax purposes.

00074

Gainful Occupation means any work or employment in which the insured *Employee*:

1. is or could reasonably become qualified, considering his or her education, training, experience, and mental or physical abilities;
2. could reasonably find work or employment, considering the demand in the national labor force; and
3. could earn (or reasonably expect to earn) a before-tax income at least equal to 60% of his or her Pre-disability Income.

00078

Hospital Confined means that, upon the recommendation of a *Doctor*, *You* are registered as an inpatient in a hospital, nursing home or other medical facility which provides skilled medical care or as an outpatient in a hospital because of surgery. *You* are not *Hospital Confined* if *You* are receiving emergency treatment or if *You* are hospitalized solely because of non-surgical medical or diagnostic test.

00081

Injury means bodily injury resulting directly from an Accident and independently of all other causes.

00082

Insured means an *Employee* covered under the Policy.

00083

Male Pronoun whenever used includes the female.

00088

Material and Substantial Duties means duties that are normally required for the performance of *Your Regular Occupation* and cannot be reasonably omitted or modified.

00089

Non-Contributory means the *Policyholder* pays 100% of the premium for this insurance.
00092

Policy means this contract between the *Policyholder* and Us including the attached *Application*, which provides group insurance benefits.
00097

Policyholder means the person, firm, or institution to whom the Policy was issued. *Policyholder* also means any covered subsidiaries or affiliates set forth on the face of the Policy.
00098 TX

Proof under the Accelerated Death Benefit means evidence satisfactory to *Us* that *You* have a *Terminal Condition*.
00100a TX

Public Conveyance means

1. Any land or water conveyance licensed for the transportation of passengers for hire, except one that has been leased by the *Policyholder*; or
2. Any aircraft operated by a business organized to operate an aircraft service and licensed for the transportation of passengers for hire

00101

Registered Domestic Partner means an adult of the same or opposite gender who has an emotional, physical and financial relationship to *You*, similar to that of a *Spouse*, as evidenced by the following:

1. *You* and *Your Domestic Partner* share financial responsibility for a joint household and intend to continue an exclusive relationship indefinitely;
2. *You* and *Your Domestic Partner* each are at least eighteen (18) years of age;
3. *You* and *Your Domestic Partner* are both mentally competent to enter into a binding contract;
4. *You* and *Your Domestic Partner* share a residence and have done so for at least 12 months;
5. Neither *You* nor *Your Domestic Partner* are married to or legally separated from anyone else;
6. *You* and *Your Domestic Partner* are not related to one another by blood closer than would bar marriage; and

Neither *You* nor *Your Domestic Partner* is a *Domestic Partner* of anyone else.

Where the laws of the governing jurisdiction mandate a definition of *Registered Domestic Partner* other than shown above, that definition will be used in the Policy.

00104

Regular Occupation means the occupation that *You* are routinely performing when *Your* life insurance terminates due to *Disability*. We will look at *Your* occupation as it is normally performed in the national economy, instead of how the work tasks are performed for a specific *Policyholder* or at a specific location.

00105

Sickness means illness, disease, pregnancy or complications of pregnancy.

00109

Supplemental means coverage for which *You* pay 100% of the premium.

00114

Terminal Condition means *You* have been examined and diagnosed by *Your Doctor* as having a non-correctable health condition that, with reasonable medical certainty, will result in *Your* death within 12 months from the date of the *Doctor's Statement*.

00115 TX

We, Our and Us means Dearborn National Life Insurance Company, Chicago, Illinois.

00119

You, Your and Yours means the eligible *Employee* to whom this Certificate is issued and whose insurance is in force under the terms of the Policy.

00120

IMPORTANT NOTICE

To obtain information or make a complaint:

You may call Dearborn National® Life Insurance Company's toll-free telephone number for information or to make a complaint at:

1-800-348-4512

You may also write to Dearborn National® Life Insurance Company at:

1020 31st Street, Downers Grove, IL 60515-5591

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights, or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance:

P. O. Box 149104

Austin, TX 78714-9104

Fax: (512) 475-1771

Web: <http://www.tdi.state.tx.us>

E-mail: ConsumerProtection@tdi.texas.gov

PREMIUM OR CLAIM DISPUTES: Should you have a dispute concerning your premium or about a claim, you should contact the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY: This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener información o para presentar una queja:

Usted puede llamar al número de teléfono gratuito de Dearborn National® Life Insurance Company's para obtener información o para presentar una queja al:

1-800-348-4512

Usted también puede escribir a Dearborn National® Life Insurance Company at:

1020 31st Street, Downers Grove, IL 60515-5591

Usted puede comunicarse con el Departamento de Seguros de Texas para obtener información sobre compañías, coberturas, derechos, o quejas al:

1-800-252-3439

Usted puede escribir al Departamento de Seguros de Texas a:

P. O. Box 149104

Austin, TX 78714-9104

Fax: (512) 475-1771

Sitio Web: <http://www.tdi.state.tx.us>

E-mail: ConsumerProtection@tdi.texas.gov

DISPUTAS POR PRIMAS DE SEGUROS O RECLAMACIONES: Si tiene una disputa relacionada con su prima de seguro o con una reclamación, usted debe comunicarse con la compañía primero. Si la disputa no es resuelta, usted puede comunicarse con el Departamento de Seguros de Texas.

ADJUNTE ESTE AVISO A SU PÓLIZA: Este aviso es solamente para propósitos informativos y no se convierte en parte o en condición del documento adjunto.

**IMPORTANT INFORMATION ABOUT COVERAGE UNDER THE
TEXAS LIFE, ACCIDENT, HEALTH AND HOSPITAL SERVICE INSURANCE GUARANTY ASSOCIATION**
(For Insurers declared insolvent or impaired on or after September 1, 2011)

Texas law establishes a system to protect Texas policyholders if their life or health insurance company fails. The Texas Life and Health Insurance Guaranty Association ("the Association") administers this protection system. Only the policyholders of insurance companies that are members of the Association are eligible for this protection which is subject to the terms, limitations, and conditions of the Association law. (The law is found in the Texas Insurance Code, Chapter 463.)

It is possible that the Association may not protect all or part of your policy because of statutory limitations.

Eligibility for Protection by the Association

When a member insurance company is found to be insolvent and placed under an order of liquidation by a court or designated as impaired by the Texas Commissioner of Insurance, the Association provides coverage to policyholders who are:

- Residents of Texas (regardless of where the policyholder lived when the policy was issued)
- Residents of other states, ONLY if the following conditions are met:
 1. The policyholder has a policy with a company domiciled in Texas;
 2. The policyholder's state of residence has a similar guaranty association; and
 3. The policyholder is not eligible for coverage by the guaranty association of the policyholder's state of residence.

Limits of Protection by the Association

Accident, Accident and Health, or Health Insurance:

- For each individual covered under one or more policies: up to a total of \$500,000 for basic hospital, medical-surgical, and major medical insurance, \$300,000 for disability or long term care insurance, and \$200,000 for other types of health insurance.

Life Insurance:

- Net cash surrender value or net cash withdrawal value up to a total of \$100,000 under one or more policies on any one life; or
- Death benefits up to a total of \$300,000 under one or more policies on any one life; or
- Total benefits up to a total of \$5,000,000 to any owner of multiple non-group life policies.

Individual Annuities:

- Present value of benefits up to a total of \$250,000 under one or more contracts on any one life.

Group Annuities:

- Present value of allocated benefits up to a total of \$250,000 on any one life; or
- Present value of unallocated benefits up to a total of \$5,000,000 for one contractholder regardless of the number of contracts.

Aggregate Limit:

- \$300,000 on any one life with the exception of the \$500,000 health insurance limit, the \$5,000,000 multiple owner life insurance limit, and the \$5,000,000 unallocated group annuity limit.

These limits are applied for each insolvent insurance company.

Insurance companies and agents are prohibited by law from using the existence of the Association for the purpose of sales, solicitation, or inducement to purchase any form of insurance. When you are selecting an insurance company, you should not rely on Association coverage. For additional questions on Association protection or general information about an insurance company, please use the following contact information.

Texas Life and Health Insurance Guaranty Association
515 Congress Avenue, Suite 1875
Austin, Texas 78701
800-982-6362 or www.txlifega.org

Texas Department of Insurance
P.O. Box 149104
Austin, Texas 78714-9104
800-252-3439 or www.tdi.texas.gov

END OF CERTIFICATE



Administrative Office:

1020 31st Street • Downers Grove, Illinois 60515-5591

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ATTACHMENT 18

St.Pierre, Vanessa

From: Michel, Mary L.
Sent: Thursday, September 20, 2018 3:54 PM
To: St.Pierre, Vanessa
Subject: RE: Benefits Department Errors affecting my benefits

Ms. St. Pierre,

Thank you for your email and I am sorry this has not been a smooth process for you.

My staff has been working to get me the required documentation and I would like to set up a meeting with you next week to discuss your situation.

Is there a day and time that would work best for you?

Thanks,

Mary Michel, PHR, SHRM-CP
Human Resources Assistant Director
Human Resources Department
300 North Campbell – 1st Floor
El Paso, TX 79901
(915) 212-1267
michelml@elpasotexas.gov

From: St.Pierre, Vanessa
Sent: Thursday, September 13, 2018 10:57 AM
To: Michel, Mary L. <MichelML@elpasotexas.gov>
Subject: Benefits Department Errors affecting my benefits

Good Morning Ms. Michel,

I was given your name in order to reach out to you regarding some errors that occurred that have affected my benefits greatly. I was hoping you could assist me in correcting this error if possible so that I may obtain the benefits I had requested and was led to believe I had enrolled in. In particular, on at least two separate occasions the benefits specialists of your department led me to believe that my husband was covered after requesting coverage for supplemental life insurance.

Upon my employment in September of 2014 at my initial enrollment I requested maximum coverage of supplemental life insurance for both my husband and myself. I selected this in particular because I was told approvals were guaranteed at initial employment and that my husband could get 50% of my elected rate. I noted "OLIFAT" on my check stub monthly and attributed the deduction to the life insurance I requested being taken out of my check monthly, thus believing he was covered as I requested. Upon my inquire to determine how to obtain the supplemental life insurance since my husband passed away last week, I was made aware yesterday by Brenda Kinderman over a phone call that my husband had no supplemental insurance and that only I was covered with maximum supplemental life insurance. I do not believe I should suffer the consequences of your departments mistakes.

At the very least, after it appears your department made the initial mistake all this time, I again requested this supplemental insurance when discussing my request of \$200,000 for myself and \$100,000 for my spouse last year with another benefits specialist at open enrollment on December 13, 2017. During the enrollment process, I had completed as much of the form as possible however, the rates of supplemental insurance coverage were not provided on the annual enrollment package (see attached) so I left the Part E Supplemental Life Insurance blank. It was at that time that after informing the benefits specialist of what I was wanting that he completed the application for both myself and my spouse supplemental insurance. I was again led to believe that I had supplemental insurance for my husband after he completed the form in which he indicated the selection of Employee and Dependents and wrote "SAME" under the rates of both Employee and Spouse/DP instead of the rates. I have attached the form I am indicating for your perusal.

It is my hope that you can help in alleviating this stress and burden at the present time. Had I been made aware that my husband was not insured through the City of El Paso as I was led to believe, I would have looked for private term insurance elsewhere. My family was depending on this life insurance and I ask that you can assist in obtaining the funds of a \$100,000 life policy. I look forward to your response.

Thank you,

Vanessa St Pierre, RDN, LD, IBCLC

Nutrition Services Manager
City of El Paso Department of Public Health
WIC Program
915-731-5778

ATTACHMENT 19

LAW OFFICES OF

MIKE MILLIGAN

(915) 544-5587
FAX (915) 544-2773
email: elpasomike13@aol.com

ATTORNEY AT LAW
4171 N. Mesa
SUITE B-201
El Paso, Texas 79902

*Certified in Labor & Employment
and Civil Trial Law by the Texas
Board of Legal Specialization*

*Licensed in Texas and New Mexico,
State and Federal Courts*

***Via Certified Mail
Return Receipt Requested***

October 24, 2018

Claims Department
Dearborn National Life Insurance Company
1020 31st Street
Downers Grove, IL 60515-5591

Re: Dependent Life Insurance Claim of Beneficiary Vanessa St. Pierre
City of El Paso Policy Number F022145-0001, Class 1-4
Dependent Date of Death: August 31, 2018

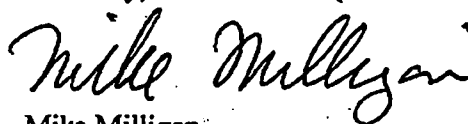
To the Plan Administrator:

Ms. St. Pierre has retained me to present the above claim and request information concerning it. A copy of my power of attorney is enclosed. Please investigate the claim in accordance with your claims procedure.

I note that your Summary Plan Description states that it is covered by the Employee Retirement Income Security Act (ERISA). Without conceding the applicability of ERISA, I wish to request in Ms. St. Pierre's behalf all of the information required by 29 U.S.C. § 1024(b)(4). This includes, but is not limited to, the Master Plan Document (MPD), including all amendments thereto; the Summary Plan Description; and all other documents which you claim constitute the terms of the Plan.

If you have any questions, comments, or requests, please call, write, or email them to me, and I will address them promptly. Again without conceding the applicability of ERISA, I invite your attention to the time limits therein and the daily penalties for a violation thereof.

Sincerely,



Mike Milligan
Attorney for Vanessa St. Pierre

MM/cm
Enclosure



POWER OF ATTORNEY

STATE OF TEXAS)
COUNTY OF EL PASO)

I, Vanessa St. Pierre, of the County of El Paso, State of Texas, do constitute and appoint Michael T. (Mike) Milligan, of El Paso, Texas, my lawful attorney in my name, place, and stead to represent me in dealing with third parties regarding an administrative claim for life insurance proceeds, and to execute all necessary receipts, releases, and discharges therefor. I give and grant to this attorney full power and authority to do and perform all and every act and thing whatever requisite and necessary to be done in connection with the above matter as fully to all intents and purposes as I might or could do if personally present. I further authorize and empower my attorney to bring suit if necessary to prevent damage to my legal position, and prosecute such litigation to final judgment or to enter settlement negotiations, subject to my final approval of any compromise of my claims.

I do specifically authorize my attorney, Michael T. (Mike) Milligan to appoint an attorney by substitution and hereby ratify and confirm all such lawful acts by my attorney, Michael T. (Mike) Milligan, or a substitute, may do or cause to be done by virtue hereof.

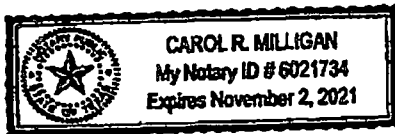
Witness my hand on the 23 day of October, 2018.



VANESSA ST. PIERRE

STATE OF TEXAS)
COUNTY OF EL PASO)

This instrument was acknowledged before me, the undersigned authority, by Vanessa St. Pierre on the 23rd day of October, 2018.



Carol R. Milligan
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

Commission expires: 11-2-21

ATTACHMENT 20

Dearborn ★ national
P.O. Box 7070
Downers Grove, Illinois 60515-5591

CITY OF EL PASO
ATTN: BRENDA KINDERMAN/LUZ ESPINOSA
PO BOX 1890
EL PASO, TX 79901

November 5, 2018

RE: Group Life Claim Case
Insured: VANESSA ST. PIERRE
Group: CITY OF EL PASO
Group No: F022145:1
Claim No: K201818111
Company: Dearborn National Life Insurance Company

Dear L.Thomas, V.Rodriguez, R.Sandova, Susan May:

This letter is to acknowledge receipt of the dependent claim for group insurance benefits. The claim will be reviewed within our standard processing time.

To help us with our review, we need the following information:

- Part 1 of the Life Claim forms
- Enrollment form and Pay Stubs

You can submit the information to our office address below or fax it to my attention at 855-645-8242. Please include the claim number listed above on the information you provide.

If you have any questions, feel free to contact me at 630-691-0204 or call our customer service number at 800-778-2281. You can also email me at balinda_caldwell@bcbsil.com.

Sincerely,
Balinda Caldwell

BALINDA CALDWELL
Admin Clerk I
Dearborn National
Claims Department

P.O. Box 7070, Downers Grove, Illinois 60515-5591 ▲ Toll Free: 800.778.2281 ▲ Fax: 855.645.8242

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ATTACHMENT 21

Dearborn National

Underwritten by Dearborn National Life Insurance Company

Phone: (800) 778-2281 | Fax: (855) 645-8242

Life Insurance Claim FormReturn to: Dearborn National
Attention: Claims Department
P.O. Box 7070, Downers Grove, IL 60515**Part 1: To be completed by Employer/Administrator****Employer/Group Information**Group Name: **City of El Paso**Group Number: **F0122145-1**

Subsidiary Name:

Account Number/Division:

Group Address: Street: **300 N. Campbell Street**City: **El Paso**State: **TX**Zip: **79901**Name and Title of Authorized Representative: **Mardy Hernandez (Account Manager)**Phone: **(915) 222-2871**Email: **mardy@teb-inc.com**Preferred Communication: ☒ Email ☐ Phone**Employee Information**Last Name: **St Pierre**First: **Vanessa**

Middle:

Street: **12216 Kim Christel**Birth date: **03/17/1975**City: **El Paso**State: **Tx**Zip: **79936**Phone: **915-731-5778**Email: **st.pierre@elpasotexas.gov**

Employee SSN / ID:

Status: ☒ Active ☐ Retired ☐ Disabled ☐ TerminatedDate of Hire: **2/5/17** Insurance Effective Date:

Last Day Worked:

Date Terminated:

Annual Salary:

Class:

Hours Worked per Week: **40**

Employee's Date of Last Premium Contribution:

Deceased Information (If other than employee)☒ Spouse ☐ Dependent ChildLast Name: **St Pierre**First: **Alfred**Middle: **Johnson**Birth date: **07/19/1977**Date of Death: **08/31/2018**SSN: **465-77-6677**Full-Time Student: ☐ Yes ☒ No

School:

Was He/She Incapacitated and Reliant on the Employee for Financial Support: ☐ Yes ☒ No**Be sure to include the Beneficiary Designation when submitting the Claim Form.****Insurance Information**Basic Life: **\$ 2000**AD&D: **\$**Supplemental/Voluntary Life: **\$ Pending and filing separately.**Supplemental/Voluntary AD&D: **\$**Additional Benefits: ☐ Seat Belt ☐ Airbag ☐ Education ☐ Other:

I certify that I have read this document and the information is accurate and complete. I understand that any person who knowingly files a statement of claim containing any false or misleading information may be subject to criminal and civil penalties.

Signature of Authorized Employer/Plan Representative

Date

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Page 2 of 6

DNL/St. Pierre 0275



Underwritten by Dearborn National Life Insurance Company

Phone: (800) 778-2281 | Fax: (855) 645-8242

Life Insurance Claim FormReturn to: Dearborn National
Attention: Claims Department
P.O. Box 7070, Downers Grove, IL 60515**Part 2: To be completed by Beneficiary**If there is more than one beneficiary, each must complete a separate form.
See Important Information below if beneficiary is a minor.**Beneficiary Information**

Last Name: St Pierre

First: Vanessa

Middle:

Maiden Name: Palacios

Birth date: 03/17/1975

Employee SSN / ID: _____

Street: 12216 Kim Christel

City: El Paso

State: Tx

Zip: 79936

Phone Number: 915-731-5778

Email Address: st.pierre@elpasotexas.gov

Relationship to Deceased: Wife

IRS CertificationAre you a U.S. Citizen: ☒ Yes ☐ No, IRS Form W-8 is required. Provide other work ID if available.

Under penalty of perjury, I certify that:

1. The number shown on this form is my correct Social Security/Taxpayer Identification number; and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person.

Certification Instructions

You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of under reporting interest or dividends on your tax return.

The IRS does not require your consent to any provision of this document other than the certifications required to avoid backup withholding. If you fail to certify, we may be required to withhold federal and state tax.

Be sure to include a certified copy of the Death Certificate for claims over \$100,000.

I certify that I have read this document and the information is accurate and complete. I understand that any person who knowingly files a statement of claim containing any false or misleading information may be subject to criminal and civil penalties.

Signature of Beneficiary

11-8-18

Date

IMPORTANT INFORMATION

If the Beneficiary is:

- a. A minor, an estate or incompetent to handle financial matters: provide an original court order appointing a legal representative or guardian to handle the financial affairs of the minor, the estate, or the incompetent.
- b. Deceased: provide proof of death, a copy of the final certified death certificate, and documentation of the secondary beneficiary.
- c. A trust: provide documentation verifying existence of the trust, documentation that the trust has been named the beneficiary, and the tax identification number of the trust.

Each beneficiary must complete and sign the Beneficiary/Claimant Statement.

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Page 3 of 6

DNL/St. Pierre 0276



Underwritten by Dearborn National Life Insurance Company

Phone: (800) 778-2281 | Fax: (855) 645-8242

Life Insurance Claim FormReturn to: Dearborn National
Attention: Claims Department
P.O. Box 7070, Downers Grove, IL 60515**Part 3: Authorization for Release of Information**

(We will require a separate authorization for release of psychotherapy notes.)

I (the undersigned) authorize Vanessa St Pierre physician, medical professional, pharmacist or other provider of health care services, hospital, clinic, other medical or medically related facility; coroner's office; insurance or reinsurance company; government agency; department of labor; law enforcement or public safety department; group policyholder; employer; or policy or benefit plan administrator to release information from the records of:

Deceased Last Name: St Pierre

First: Alfred

Middle: Johnston

I certify that I have read this document and the information is accurate and complete. I understand that any person who knowingly files a statement of claim containing any false or misleading information may be subject to criminal and civil penalties.

Signature of Beneficiary

11-8-18
Date

IMPORTANT INFORMATION**Claimant/Insured Information to be released:**

- Data or records regarding medical history, treatment, prescriptions, consultations, autopsy (including medical reports, records, charts, notes (excluding psychotherapy notes), x-rays, films or correspondence, and any medical condition(s));
- Any information regarding insurance coverage; and
- Accident report or any official investigative reports (such as police, fire, FAA, OSHA, or toxicology report).
- Information to be released to:
Dearborn National
P.O. Box 7070
Downers Grove, IL 60515
- I understand that refusal to sign this Authorization may result in the denial of benefits.
- I understand the information used or disclosed may be subject to re-disclosure by the recipient and may no longer be protected by federal law.

- I understand the information obtained by use of this Authorization will be used by Dearborn National Life Insurance Company (the Company) to evaluate my claim for death benefits. The Company will only release such information:
 - To its reinsurer, or other persons or organizations performing business or legal services in connection with my claim(s); or
 - As may be required by law; or
 - As I further authorize.
- I understand that I may revoke this Authorization in writing at any time, except to the extent the Company has taken action in reliance on this Authorization. If written revocation is not received, this Authorization will be considered valid for a period of time not to exceed 24 months from the date of signature below. To initiate revocation of this Authorization, direct all correspondence to the Company at the above address.
- A photocopy of this Authorization is to be considered as valid as the original.
- I understand I am entitled to receive a copy of this signed Authorization.

Signature (Claimant or Legal Representative)

Print Name

Date

If you are the legal representative of the Claimant, we may ask for additional documentation.

Street:

Phone Number:

City:

State:

Zip:


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DNL/St. Pierre 0277

P031216176794

ATTACHMENT 22

Dearborn  National
P.O. Box 7070
Downers Grove, Illinois 60515-5591

VANESSA ST. PIERRE
12216 KIRA CHRISTEL
EL PASO, TX 79936

December 4, 2018

RE: Group Life Claim Case
Insured: ALFRED J ST PIERRE
Group: CITY OF EL PASO
Group No: F022145:1
Claim No: K201818111
Company: Dearborn National Life Insurance Company

Dear V St. Pierre:

Your Dearborn National family is working on your behalf and currently reviewing your claim for Group Life Insurance benefits.

To help us with our review, we need the following information:

- Copy of Death Certificate

You can submit the information to our office address below, email, or fax it to my attention at 855-645-8242. Please include the claim number listed above on the information you provide.

We have an obligation to issue a decision within a set period of time from when we receive the claim and all necessary information. Since we do not have all the information needed to make a determination, we will toll that time until we receive the requested information. Once we have the requested documentation and any additional information we may need to properly evaluate the claim, we will promptly process your claim and notify you of the outcome.

To help you with the unique challenges that result from losing a loved one, Beneficiary Resource Services is available to provide legal support, funeral planning, and grief counseling services. You can contact them at 800-769-9187 or log on to www.beneficiaryresource.com (Username: Dearborn National).

P.O. Box 7070, Downers Grove, Illinois 60515-5591 ▲ Toll Free: 800.778.2281 ▲ Fax: 855.645.8242

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VANESSA ST. PIERRE

Page 2 of

If you have any questions, feel free to contact me at 630-691-0204 or call our customer service number at 800-778-2281. You can also email me at balinda_caldwell@bcbsil.com.

Sincerely,

Balinda Caldwell

BALINDA CALDWELL

Admin Clerk I

Dearborn National

Claims Department

Beneficiary Resource Services™ is provided by Momeau Shepell. Momeau Shepell is not an affiliate of the Dearborn National brand companies and the services provided by Momeau Shepell are separate from the insurance and insurance services provided by the Dearborn National brand companies.

P.O. Box 7070, Downers Grove, Illinois 60515-5591 • Toll Free: 800.778.2281 • Fax: 855.645.8242

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LaTrina Dorsey

From: Jon Potter
Sent: Tuesday, December 11, 2018 9:47 AM
To: LaTrina Dorsey
Subject: RE: CITY OF EL PASO - F022145 - class 4

It is basic dependent life at 2,000 and employer paid.

Thanks

From: LaTrina Dorsey
Sent: Tuesday, December 11, 2018 8:37 AM
To: Jon Potter <Jonathan_Potter@dearbornnational.com>
Subject: RE: CITY OF EL PASO - F022145 - class 4

 The email is about dependent life not basic, but Mandy clarify what I needed to know

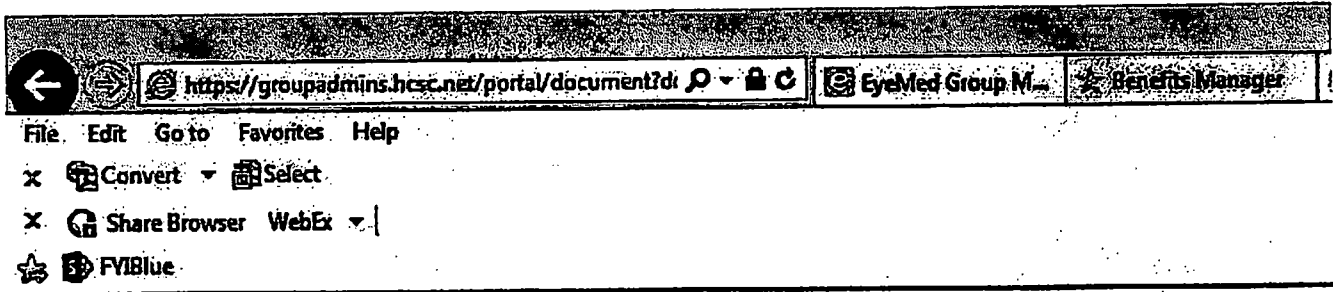
Thanks

LaTrina

From: Jon Potter
Sent: Monday, December 10, 2018 3:54 PM
To: LaTrina Dorsey <LaTrina_Dorsey@bcbsil.com>
Subject: RE: CITY OF EL PASO - F022145 - class 4

Latrina

Please let me know where the confusion is in the cert. Basic is 100% employer paid:



New Employees:

Policyholder Contribution:

Basic Life & AD&D

Dependent Life

Supplemental LifeAD&D

GROUP TERM LIFE INSURANCE

Employee Basic Life Benefit Amount

\$50,000

Employee Supplemental Life Benefit Amount

**Incremental selec
\$200,000 in incre**

Guarantee Issue Benefit Limit

Employee Basic:

Employee Supple

Spouse Basic: \$2

Spouse Suppleme

Amounts in exce:

satisfactory Evid



From: Mandy Hernandez <mandy@teb-inc.com>

Sent: Monday, December 10, 2018 2:40 PM

To: Jon Potter <Jonathan_Potter@dearbornnational.com>; LaTrina Dorsey <LaTrina_Dorsey@bcbsil.com>

Subject: Re: CITY OF EL PASO - F022145 - class 4

Good Afternoon,

What Jon stated below is in fact accurate. There is a basic dependent life benefit of \$2,000 for spouse paid for by the City. Let me know if you need further clarification.

Kind Regards,

Mandy Hernandez
Account Manager

T.E.B. Benefits Group Inc.

F : 915-542-3531 P : 855-687-9887 Ext. 702

401 Congress Avenue, Suite 1540, Austin Texas 78701
702 Wyoming Avenue, El Paso, Texas 79902

www.teb-inc.com

(This e-mail and any attachments may be confidential or legally privileged.
If you received this message in error or are not the intended recipient, you
should destroy the e-mail message and any attachments or copies, and you are
prohibited from retaining, distributing disclosing or using any information
contained herein. Please Inform us of the erroneous delivery by return
e-mail. Thank you for your cooperation.)

From: Jon Potter <Jonathan_Potter@dearbornnational.com>
Sent: Monday, December 10, 2018 1:00:25 PM
To: LaTrina Dorsey; Mandy Hernandez
Subject: RE: CITY OF EL PASO - F022145 - class 4

Latrina,

The \$2,000 basic dependent life benefit should be employer paid according to what I'm reviewing in prior carrier certs.

We can request an amendment to clearly define this, but I'd like Mandy to confirm she and the City agree there is a basic dependent life benefit that is paid for by the City, spouse \$2,000 benefit.

Mandy, can you confirm.

Thanks
Jon

From: LaTrina Dorsey
Sent: Monday, December 10, 2018 9:54 AM
To: Jon Potter <Jonathan_Potter@dearbornnational.com>
Subject: CITY OF EL PASO - F022145 - class 4

Good Morning Jon,

I have a claim in house for dependent spouse coverage \$2,000.00. I need your help with contributory; genelco shows ER 100% contribution but certificate shows ER 0% contribution. Was there an amendment? No amendment in ECM and employee check stubs shows no premiums being paid for dependent coverage.

Thank you,

LaTrina Dorsey

LaTrina Dorsey
Claims Advocate I



Administrative Office
P.O. Box 7070
Downers Grove, IL 60515
Toll Free: 800.778.2281
Office: 630.458.5686
Fax: 855.645.8242
E-mail: latrina_dorsey@dearbornnational.com

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The information contained in this communication is confidential, private, proprietary, or otherwise privileged and is intended only for the use of the addressee. Unauthorized use, disclosure, distribution or copying is strictly prohibited and may be unlawful. If you have received this communication in error, please notify the sender immediately at (312) 653-6000 in Illinois; (800) 447-7828 in Montana; (800) 835-8699 in New Mexico; (918) 560-3500 in Oklahoma; or (972) 766-6900 in Texas.

ATTACHMENT 23

Dearborn ★ National
P.O. Box 7070
Downers Grove, Illinois 60515-5591

VANESSA ST. PIERRE
12216 KIRA CHRISTEL
EL PASO, TX 79936

December 12, 2018

Dear Vanessa:

On behalf of your Dearborn National family, I want to let you know that we are thinking of you and your family. Losing a loved one is never easy, and we are here for you during this difficult time. We hope the enclosed check provides you with some comfort and support.

If you have any questions, feel free to contact me at 630-458-5686 or call our customer service number at 800-778-2281. You can also email me at latrina_dorsey@dearbornnational.com.

Sincerely,
LaTrina Dorsey

LATRINA DORSEY
Claims Advocate I
Dearborn National
Claims Department

P.O. Box 7070, Downers Grove, Illinois 60515-5591 ▲ Toll Free: 800.778.2281 ▲ Fax: 855.645.8242

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BNL St. Pierre 0300

ATTACHMENT 24

LAW OFFICES OF
MIKE MILLIGAN

(915) 544-5587
FAX (915) 544-2773
email: elpasomike13@aol.com

ATTORNEY AT LAW
4171 N. Mesa
SUITE B-201
El Paso, Texas 79902

*Certified in Labor & Employment
and Civil Trial Law by the Texas
Board of Legal Specialization*

*Licensed in Texas and New Mexico,
State and Federal Courts*

February 15, 2019

Claims Department
Dearborn National Life Insurance Company
1020 31st Street
Downers Grove, IL 60515-5591

Via Fax 855-645-8242

City of El Paso
Human Resources Department
300 N. Campbell
El Paso, TX 79901

Via Certified Mail
Return Receipt Requested

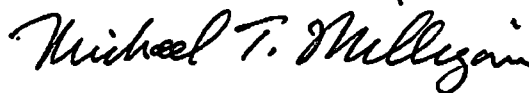
Re: Dependent Life Insurance Claim of Beneficiary Vanessa St. Pierre
City of El Paso Policy Number F022145-0001, Class 1-4
Dependent Date of Death: August 31, 2018

To the Above Addressees:

Please advise me, as attorney for Ms. St. Pierre, of the amount of premiums which the City mistakenly failed to deduct from her wages to pay the premiums on the life insurance policy which is the subject of this apparent dispute.

It is Ms. St. Pierre's intention to tender that amount by cashier's check to the City of El Paso. By copy of this letter to the City Attorney's office, Ms. St. Pierre is exercising her First Amendment right to petition the City for redress of her grievances, an exception to Rule 4.02(a) of the Texas Disciplinary Rules of Professional Conduct.

Respectfully yours,



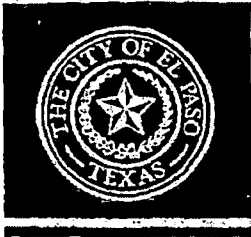
Michael T. Milligan
Attorney for Vanessa St. Pierre

MM/cm

cc: El Paso City Attorney
Via Email cityattorney@elpasotexas.gov



ATTACHMENT 25



Human Resources

March 11, 2019

Mayor
Dee Margo

City Council

District 1
Peter Svarzbein

District 2
Alexandra Annello

District 3
Cassandra Hernandez

District 4
Dr. Sam Morgan

District 5
Isabel Salcido

District 6
Claudia Ordaz Perez

District 7
Henry Rivera

District 8
Cissy Lizarraga

City Manager
Tommy Gonzalez

Dearborn National Life Insurance Company
Attn: JUNE TAYLOR
1001 East Lookout Drive
Richardson, Texas 75082

Dearborn National Insurance Company
Attn: CLAIMS DEPARTMENT
1020 31st Street
Downers Grove, Illinois 60515

91 7199 9991 7034 9255 7075

RE: *Tender of Defense and Indemnity of Third-Party Claim*
RFP # 2017-1357R Fully Insured Supplemental Benefits Plans
Vanessa St. Pierre - Dependent Life Insurance Claim
City of El Paso, Policy Number F022145-0001, Class 1-04

Dear Ms. Taylor and Claims Department,

This letter is a formal tender of defense and indemnity of the City of El Paso ("City") in regards to the above-referenced claim. This notice is given pursuant to Part 7 (Contract Clauses), Section 4 (Indemnification), of RFP #2017-1357R, which embodies the contract between the City and Dearborn National ("Dearborn").

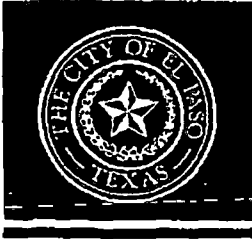
As you are aware, Vanessa St. Pierre has filed a dependent life insurance claim as the beneficiary of her dependent under the above-referenced life insurance policy. Specifically, Ms. St. Pierre disputes the amount of benefits due her for the death of her spouse on August 31, 2018.

The City's Human Resources Department received formal notice of the claim on December 7, 2018 through two letters received from Ms. St. Pierre's attorney, Mike Milligan. One letter was addressed to the City, dated November 5, 2018, but was not received until December; and the second letter was addressed to both the City and Dearborn, dated December 6, 2018. Mr. Milligan sent a follow-up letter addressed to both the City and to Dearborn dated February 15, 2019.

For your convenience, I am enclosing copies of the referenced letters, as well as the relevant paragraphs of the contract clauses to the contract (RFP) at issue. If you have any questions or need any additional information, please contact Mary Michel, Human Resources Assistant Director, at (915) 212-1267 or michelml@elpasotexas.gov.

Linda Ball Thomas, IPMA-SCP, PHR, SHRM-SCP - Human Resources Director
City # 1 | 300 N. Campbell | El Paso, Texas 79901 | (915) 212-0045

"Delivering Outstanding Services"



Human Resources

Sincerely,

A handwritten signature in black ink, appearing to read "Linda Ball Thomas".

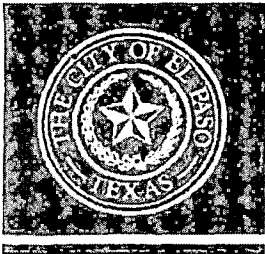
Linda Ball Thomas
Human Resources Director

Cc: Benefit Services
Employee's Medical File

Attachments Enclosed

Linda Ball Thomas, IPMA-SCP, PHR, SHRM-SCP – Human Resources Director
City # 1 | 300 N. Campbell | El Paso, Texas 79901 | (915) 212-0045

ATTACHMENT 26



Human Resources

RECEIVED

APR 3 2019

Mayor
Dee Margo

April 1, 2019

City Council

Mr. Mike Milligan
Law Offices of Mike Milligan
4171 N. Mesa, Suite B-201
El Paso, Texas 79902

District 1
Peter Svarzbein

District 2
Alexandra Annello

Re: Dependent Life Insurance Claim of Vanessa St. Pierre
Dearborn National/City of El Paso Policy Number F022145-0001, Class 1-04

District 3
Cassandra Hernandez

District 4
Dr. Sam Morgan

Dear Mr. Milligan:

District 5
Isabel Salcido

The City of El Paso ("City") is in receipt of the notice of dispute of your client, Vanessa St. Pierre, in connection with her claim for benefits associated with the death of her husband on August 31, 2018. This letter is to inform you that the City of El Paso has tendered your client's dependent life insurance claim to Dearborn National for handling.

District 6
Claudia Ordaz Perez

Please direct all future communications and correspondence to Dearborn National.

District 7
Henry Rivera

District 8
Cissy Lizarraga

Sincerely,

City Manager
Tommy Gonzalez

A handwritten signature in black ink, appearing to read "Linda Ball Thomas".
Linda Ball Thomas
Human Resources Director

Cc: Dearborn National

Linda Ball Thomas, IPMA-SCP, PHR, SHRM-SCP — Human Resources Director
City #1 | 300 N. Campbell | El Paso, Texas 79901 | (915) 212-0045

"Delivering Outstanding Services"

ATTACHMENT 27

Dearborn ★ National
P.O. Box 7070
Downers Grove, Illinois 60515-5591

VANESSA ST. PIERRE
12216 KIRA CHRISTEL
EL PASO, TX 79936

May 16, 2019

RE: Group Life Claim Case
Insured: ALFRED J ST PIERRE
Group: CITY OF EL PASO
Group No: F022145:1
Claim No: K201818111
Company: Dearborn National Life Insurance Company

Dear Vanessa:

Your Dearborn National family has been working on your behalf to process your claim and provide you with the best possible outcome.

We have completed our review of your claim. Unfortunately, we are not able to approve Group Life Benefits on this claim because the dependent spouse Mr. Alfred St. Pierre was not eligible for coverage.

The above group plan contains the following provisions:

"SCHEDULE OF BENEFITS

DEPENDENT TERM LIFE INSURANCE

Spouse Benefit Amount Basic: \$2,000
Includes *Registered Domestic Partner*

Spouse Benefit Amount Supplemental: Incremental selection from a minimum of \$10,000 to a
Includes *Registered Domestic Partner* maximum of \$100,000 in increments of \$10,000, not to exceed 50%
of Your amount.

DEPENDENT LIFE INSURANCE

What is the Dependent Life Insurance Benefit?

We will pay You the amount of insurance set forth in the Schedule of Benefits on the life of Your Dependent(s) while Your insurance is in force. Payment will be in one lump sum.

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GNL St. Pierre 0348

VANESSA ST. PIERRE

Page 2 of

Who is eligible for Dependent Life Insurance?

If You are insured for life insurance under the Policy and belong to a class listed in the Schedule of Benefits as eligible for Dependent Life Insurance benefits, You are eligible to enroll for this benefit. If You or Your Spouse are enrolled for Dependent Life Insurance and subsequently acquire a new *Eligible Dependent*, that *Dependent* will automatically be covered.

When does Dependent Life Insurance become effective?

Provided You:

1. have completed any required *Employee Eligibility Waiting Period*; and
2. apply for Dependent Life Insurance no later than 31 days after becoming eligible for this benefit; and
3. have paid or are obligated to pay any applicable premium,

Life insurance for *Your Eligible Dependent(s)* will become effective on the later of:

1. the first of the month that falls on or next follows date Your group insurance coverage becomes effective;
2. the first of the month that falls on or next follows effective date of the Dependent Life Insurance benefit; or
3. the first of the month that falls on or next follows date You enroll Your *Eligible Dependent(s)*;
4. the first of the month that falls on or next follows the date You acquire Your *Eligible Dependent(s)*;
5. if *Evidence of Insurability* is required, the date We determine that evidence is satisfactory and We provide notice of approval.

If You enroll for Dependent Life Insurance more than 31 days after You are eligible to do so, You must furnish *Evidence of Insurability* satisfactory to Us for each *Dependent*, and coverage will become effective as set forth above.

If an *Eligible Dependent* is required to submit satisfactory *Evidence of Insurability* for any reason, insurance in the amount for which We require such evidence will become effective on the date We determine that the evidence is satisfactory and We provide notice of approval.

If an *Eligible Dependent* is *Hospital Confined* or Your eligible Spouse is unable to perform two of the *Activities of Daily Living* on the date coverage would otherwise become effective, insurance will not become effective until the date the *Eligible Dependent* is *No Longer Hospital Confined* or Your Spouse is able to perform at least two of the *Activities of Daily Living*.

Definitions which apply to the Dependent Life Insurance provision:***Eligible Dependent* means:**

1. the Spouse or Domestic Partner of each individual eligible to be insured under the Policy;

Spouse means lawful spouse. *Spouse* will include *Your Registered Domestic Partner*.

Evidence of Insurability means a statement of Your medical history which We will use to determine if You are approved for coverage. *Evidence of Insurability* will be provided at Our expense if You enroll within 31 days after Your eligibility date. *Evidence of Insurability* will be provided at Your expense if You are a late applicant, which means You enroll for insurance more than 31 days after Your eligibility date.

We reviewed the following documentation in making our determination:

1. Group Certificate

P.O. Box 7070, Downers Grove, Illinois 60515-5591 ▲ Toll Free: 800.778.2281 ▲ Fax: 855.645.8242

VANESSA ST. PIERRE

Page 3 of

- 2. Employer Claim Form
- 3. Enrollment Form
- 4. Financial Records

We received correspondence from City of El Paso advising us that your date of hire was August 11, 2014. You became eligible for benefits the first of the month following 30 Days of continuous, full-time active work on October 01, 2014. By enrollment form dated August 12, 2014, Mrs. St. Pierre, a current employee of the City of El Paso, sought to enroll her husband, Alfred St. Pierre, as a dependent spouse for \$100,000.00 in life insurance coverage being provided by Dearborn. In order to obtain coverage in this amount for Mr. St. Pierre, Mrs. St. Pierre needed to submit a completed Evidence of Insurability form and have the coverage approved by Dearborn. Dearborn did not receive a completed Evidence of Insurability form for Mr. St. Pierre and accordingly, did not approve the coverage.

Under the terms of the Policy, the applicant is not covered until approved by Dearborn and the City should not withdraw premium payments from the employee's paycheck until it receives written approval from Dearborn. The City provided us with copies of pay stubs demonstrating that the premium was not withdrawn from Mrs. St. Pierre's paycheck for the payment of the putative insurance coverage claimed to be in force. In addition, we received electronic data showing that Mrs. St. Pierre logged into the employee benefit system on November 17, 2016 to review her benefits and made no changes. Furthermore, the City provided a completed enrollment form signed and dated December 13, 2017 in which Mrs. St. Pierre did not make any changes to coverage. Mr. St. Pierre died on August 31, 2018. As of the time of his death, Dearborn has not received any proof demonstrating that Mr. St. Pierre submitted Evidence of Insurability to Dearborn, Dearborn approved the coverage or that premiums were paid by Mrs. St. Pierre to keep the coverage in force.

For these reasons, we regret to inform you that we are unable to approve Group Life Benefits on this claim. If you choose to appeal this determination, please provide any evidence indicating that Dearborn approve Mr. St. Pierre for dependent spousal coverage and that premiums were paid to Dearborn.

No internal rules, guidelines, protocols, standards or other similar criteria exist relevant to our conclusion.

Any additional information must be submitted within the time for appeal as noted.

If you disagree with the position of the Company, we are happy to review any additional facts you may wish to submit. If you have any questions regarding this determination, please feel free to contact me directly at 800-778-2281, ext. #####. If you disagree with this determination, you may appeal this claim decision by sending your written request for review to:

Dearborn National Life Insurance Company
Claim Department
Attn: Appeals Specialist
Administrative Office:
P.O. Box 7070
Downers Grove, IL 60515-5591

Dearborn National Life Insurance Company reserves all of its rights and defenses whether expressly stated or implied.

P.O. Box 7070, Downers Grove, Illinois 60515-5591 ▲ Toll Free: 800.778.2281 ▲ Fax: 855.645.8242

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DNL/St. Pierre 6358

VANESSA ST. PIERRE

Page 4 of

Sincerely,

LaTrina Dorsey

LATRINA DORSEY
Claims Advocate I
Dearborn National
Claims Department

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